

AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3310



## 21st Century Skills

AASB is committed to the idea that creating 1 to 1 digital learning environments in our schools will help all students develop 21<sup>st</sup> century skills, reach their potential, raise their literacy levels, and lead successful lives in an increasingly global economy.

As author Thomas Friedman tells us, the world is flat and the future is digital. Educators are now tasked with preparing students for jobs that don't yet exist.

To be successful in the global economy, Alaska's students will require 21st century skills including critical thinking, problem solving, innovation, collaboration, media literacy, global awareness, adaptability, leadership, self-direction, ethics, and civic, economic, and business literacy. Students participating in digital learning initiatives naturally begin to build these skills.



## Digital Learning Across Alaska

In spring of 2006, the AASB Consortium for Digital Learning (AASB-CDL) was awarded capital funds in the amount of \$5 million by the 24<sup>th</sup> Legislature. Within seven months after receiving the funds, AASB-CDL had successfully launched 1 to 1 initiatives at over 55 project sites in 18 districts statewide. Projects ranged from \$100,000 to \$400,000 per district, with AASB-CDL contributing two-thirds of each district's project costs.



## Integrated Components

Launching a statewide digital learning initiative has involved the development and coordination of numerous interrelated components designed to maximize the success of each four-year project, and hold districts accountable for meeting set goals.

### Solution Components

- Hardware and software
- Network and wireless connectivity
- Staff professional development
- Technical support and training
- Alaska-based equipment repair

### Support Components

- Performance contract identifying each district's academic targets
- In-state professional development training team
- Reserve of staff training days
- UA credit for professional development training
- Distance delivered evening workshops
- Replacement laptops
- Ongoing tech support
- Project evaluation by ISER
- Onsite parent education seminars



## New Trajectory for Education

"It is a moral imperative that a new trajectory for Alaska education be set, from 19th Century thinking—managing for today—to 21st Century thinking—preparing students for global citizenship."

- Carl Rose, AASB Executive Director



## District Testimonials

"This laptop initiative is providing skills that will serve students well, regardless of the career path they pursue. These young people will have a competitive advantage."

- Joel Roylance, Anchorage Principal

"Our students have shown improved incentive for getting their work done, and done well. Having the 1 to 1 computers has given our school a tremendous academic boost."

- Glenda Thompson, Eek teacher

"Now that students have laptops, they are motivated to create writing projects that are dynamic and exciting."

- Nancy Mazurek, Dillingham teacher

"Having the laptops has changed the way I teach. We access educational websites and complete research without having to move from our seats."

- Sabrina Demmert, Klawock teacher

"Students have taken to the computers like whales to the ocean! This new educational tool has opened up endless possibilities for learning."

- Heidi Packer, Barrow Principal

"The staff at our school are in agreement; even without the clear educational benefits that these incredible tools provide, just the increased attendance – having students in school – justifies any expense that this program incurs."

- Tim Shumway, Crooked Creek teacher

"Before, we didn't have our laptops and school was boring. But after, school is getting fun."

- Judy S., Fairbanks student



## For More Information

Visit our website: [www.aasb-cdl.org](http://www.aasb-cdl.org)

Digital Learning concept development

Summer '05

Solution designed with Apple

Fall '05

Legislature awards AASB-CDL \$5m

Winter '06

Spring '06

Participating districts identified

Fall '06

District 1 to 1 Rollouts

AASB-CDL requests additional funding from legislature

Spring '07

# STATE OF ALASKA

SB 53

SARAH PALIN, GOVERNOR

## DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

3132 CHANNEL DRIVE  
PO Box 112500  
JUNEAU, ALASKA 99811-2500

FAX: (907) 586-8365  
PHONE: (907) 465-3900

April 27, 2007

The Honorable Bert Stedman  
Alaska State Legislature  
State Capitol, Room 516  
Juneau, AK 99801-1182

Dear Senator ~~Stedman~~: Bert

During the April 21, 2007 Senate Finance Committee meeting on the department's capital budget, additional detailed information was requested. This is to respond to questions/comments at that meeting.

### Whether the department is complying with intent language in the FY07 capital budget

The following is intent language that was contained with the FY07 capital budget.

*It is the intent of the legislature that the Department of Transportation and Public Facilities incorporate the following features into the Eagle River Loop Road upgrade:*

- (1) a full-length turning lane;*
- (2) a bike lane or pedestrian path on only one side of the Eagle River Loop Road, except that a bike lane or pedestrian path may be built on both sides of the road as far as Loop Road Spur or the area adjacent to Spring Brook Drive;*
- (3) curbs, gutters, and sidewalks at either end of the road and extending as far as necessary;*
- (4) no traffic control islands at the lower north end of the road;*
- (5) speed limits for the road of five miles an hour less than the current posted speed limits;*
- (6) location of the road at the limits of the right-of-way, leaving existing vegetation in place unless it is necessary to remove trees and brush during the construction process.*

The Eagle River Loop Road reconstruction project design is being finalized, bidding will take place this summer, and construction is anticipated to begin late this summer. There have been numerous public meetings during the design process to inform the residents of the plans and solicit input. Department staff met with legislators and assembly members last fall to discuss the project as well as the intent language. We take intent language seriously; however, it is important to note that sound engineering take precedence to deal with safety issues when designing any major transportation project. The following is our response to the six items of intent:

- (1) A turning lane is being incorporated into the design for the entire length of the road.
- (2) There presently are well-used paths on both sides of the road. Because of this the department is incorporating pedestrian/bike paths on both sides of the road. This avoids the possibility of pedestrians to crossing the road in multiple and unprotected areas.
- (3) Curbs, gutters and sidewalks are being included on both ends of the urban section of the road.
- (4) The department determined through traffic counts and wait times that dual left turn lanes are necessary at the lower north end of the road. Because of the expansion to dual left turn lanes this becomes a 5-lane road at the lower north end. The 5-lanes consist of 4 out-going (2 left, 1 straight and 1 right) and 1 incoming – an symmetrical road section. A raised median is necessary to prevent in-turning traffic from entering the outgoing lanes during much of the year when traffic markings are obscured. This is a standard and common design statewide. In fact a raised median exists immediately across the Old Glenn Highway where Business Boulevard intersects with a dual left turn lane. We are looking at shortening the island to the minimum safe length.
- (5) Speed limits are set by the department according to AS 19.10.070 and in conjunction with the factors identified in that statute. Policy and procedures have been established to assure that speed limits are set in a consistent manner and take into account speed studies and safety conditions. In winter conditions vehicles are driven considerably slower on this roadway due to the long hill. We are still considering the reduced speed limit.
- (6) We have taken considerable effort and expense to the project to minimize the vegetation disturbance within the right of way.

In summary, our score in satisfying the legislative intent is pretty good.

**Did the department redirect congressional earmarks for other purposes?**

First, it is important to know that the department has no authority to change the purpose of a congressionally designated earmark. Even a letter from the sponsoring congressman

can not redirect an earmark. Any such changes can only occur with a change in the law itself. Upon discussing this issue with Senator Elton's staff we understand the concern voiced at the meeting revolves around two earmarks (Juneau bridges and Capital Transit buses) and the Sunny Point intersection project. The state received an earmark in 2005 for various Juneau bridges. The Federal Highway Administration notified the department that the ability to obligate these funds would lapse on September 30, 2006. FHWA headquarters would not allow these funds to be carried forward into FFY2007. The obligation limitation lapsed on that date because the project was not ready to proceed. The City and Borough of Juneau had not provided specifics on the project or projects and they had not provided the necessary match. We have not redirected the funds for that earmark.

SAFETEA-LU contained earmarks for Capital Transit bus replacement. There appeared to be some concern from the City and Borough of Juneau that those funds were redirected to other purposes. The commissioner responded to those concerns in the enclosed letter dated November 7, 2006. Again, the department did not redirect these funds for other purposes.

The Sunny Point intersection project has been funded entirely from National Highway System (NHS) program funds. No funds were redirected to that project.

**What are the plans for the Port Alsworth airport and will the private airports close?**  
A new public airport in the community of Port Alsworth is one of the top capital priorities of the Lake and Peninsula Borough. The DOT&PF is just completing the second phase of a three phase Airport Master Plan that is exploring the how, where and when for such a facility.

The owners of the two main airstrips in the community (Alsworth Strip and Natwick/Wilder) have produced written correspondence documenting their awareness that if a new public airport is constructed, the two private major private airstrips must be closed. The FAA is requiring this closure before they support funding of a new federally funded public airport. The FAA will not participate in funding unless all airspace issues are successfully resolved to their satisfaction.

The current cost estimate for a new public airport located across the Tanalian River is approximately \$20,160,000.

All airport projects funded through the federal Aviation Improvement Program (AIP) must be evaluated, scored and ranked in the program by the Aviation Project Evaluation Board (APEB). The AIP is a competitive process. Approximately \$1.3 billion worth of aviation projects have currently been scored for future funding. The timeframe for

construction of a Port Alsworth public airport depends on how the final project scores and the amount of future AIP funding available.

Central Region currently believes that if a nomination was taken before the APEB it is highly likely that the final score for a new public airport in Port Alsworth would not be as high as others already in the funding queue. As a result, it could be a number of years before the project would receive construction funding if only federal funds were available.

**Is the statement that the Old Seward Highway has not been reconstructed since it was originally built accurate?**

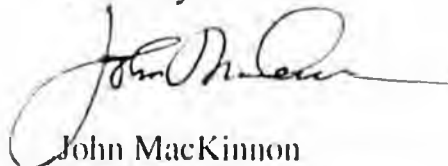
The basic road is the same as originally built. The Old Seward Highway between O'Malley Road and Brandon is still mostly two-lane with the exception of turn pockets and intersection improvements at Huffman Road, Klatt Road and O'Malley Centre Drive. The northernmost 900 feet between O'Malley Road and O'Malley Centre Drive is the area where the road transitions from four lanes down to two lanes. The reconstruction project is a very high priority for both DOT&PF and the Municipality of Anchorage.

**A summary document of the department's capital budget was requested.**

Enclosed is a spreadsheet that summarizes the FY08 capital request by mode and fund source. Also is a spreadsheet that reflects the Marine Highway System requests by type of project.

Please feel free to contact me if you have further questions.

Sincerely,



John MacKinnon  
Deputy Commissioner

Enclosures

cc: Leo von Scheben, Commissioner, DOT&PF  
Dennis Hardy, Deputy Commissioner, Marine Operations, DOT&PF  
Nancy Slagle, Director, Administrative Services, DOT&PF  
Mary Siroky, Legislative Liaison, DOT&PF

# STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

3132 CHANNEL DRIVE  
PO Box 112500  
JUNEAU, ALASKA 99811-2500

FAX: (907) 586-8365  
PHONE: (907) 465-3900

November 7, 2006

Mr. Rod Swope, Manager  
City and Borough of Juneau  
155 S. Seward Street  
Juneau AK 99801-1397

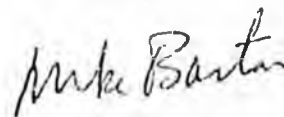
Dear Mr. Swope:

You can rest easy that the federal funding for Capital Transit bus replacement has not been redirected, as suggested in your letter. The project paper work to authorize funds is being prepared at this time, and I assure it the funding will be authorized for reimbursement of bus purchases to Capital Transit during the current month.

What may have triggered your concern is the fact that we had hoped to fund the project during the last part of Federal fiscal year 2006, which ended September 30. But cost escalation on many other projects both here in Juneau and across the state prevented that earlier accomplishment. However, we are now in Federal fiscal year 2007, and still within State fiscal year 2007. Thus there has been no delay in this 2007 capital appropriation.

Thank you for your interest in transportation and we look forward to seeing the new buses serving Alaskans here in Juneau.

Sincerely,



Mike Barton  
Commissioner

cc: Malcom Menzies, PE, Southeast Regional Director, DOT&PF  
Jeff Ottesen, Director, Division of Program Development, DOT&PF

Department of Transportation and Public Facilities										
FY08 Capital Budget										
	GF	GF Match	FHWA	FAA	IARF	Int'l Airport Bonds	Fed Other - Earmarks	Other	Description	Total
AMHS	13,444.5		32,150.0							45,594.5
Roads	13,250.0	40,000.0	319,195.3				4,250.0	400.0	CIP	377,095.3
Harbors	6,600.0									6,600.0
Rural Airports	3,750.0	15,000.0		125,640.5					DOD	144,390.5
International Airports				26,400.0	3,136.0	26,207.0			PFC	55,743.0
Facilities	2,400.0									2,400.0
Statewide										
Emergency & Non-routine Equipment Fleet			10,000.0					15,000.0	HWCF	10,000.0 15,000.0
CIP Equipment								1,500.0	CIP	1,500.0
Coord Trans & Vehicles								300.0	MHTAAR	300.0
Transit program		38.0	9,000.0							9,038.0
Comm Vehicle Enforcement		1,600.0	4,230.0							5,830.0
Reimbursable Projects			1,500.0					12,000.0	SDPR	13,500.0
Fuel storage tanks	1,750.0									1,750.0
Advance Def - Denali projects	100.0									100.0
<b>Total</b>	<b>41,294.5</b>	<b>56,638.0</b>	<b>376,075.3</b>	<b>152,040.5</b>	<b>3,136.0</b>	<b>26,207.0</b>	<b>4,250.0</b>	<b>29,200.0</b>		<b>688,841.3</b>
<b>FY07 Effective Date - Capital Request</b>										
Roads	45,000.0									45,000.0
	45,000.0									45,000.0

<b>Department of Transportation and Public Facilities</b>			
<b>FY08 Alaska Marine Highway Capital Budget Request</b>			
	GF	FHWA	Total
<b>Vessels</b>	8,185.5	25,000.0	33,185.5
<b>Facilities</b>	2,914.0	5,000.0	7,914.0
<b>Security, safety, etc.</b>	1,050.0		1,050.0
<b>Electronics, tracking system</b>	370.0		370.0
<b>Passenger Services</b>	425.0		425.0
<b>Warehouse</b>	500		500.0
<b>Reservations System</b>		2,000.0	2,000.0
<b>Fleet condition survey</b>		150	150.0
	13,444.5	32,150.0	45,594.5

**SB 53**

**FY08  
CAPITAL  
BUDGET**

**Public Comments**



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the H&S Finance  
 Committee on Budget Committee Name Dated 4/27/07  
Bill / Subject

I heard Mark Simpson, an Ester resident and volunteer firefighter and current Board President, testify again about a capital request for the expansion of the Ester Fire Department. I was stunned to hear this request has been on the books since 1995, has been the Borough's top Emergency Services priority for the past 2 years and has consistently been turned down.

The Borough did what it could to show the importance of this project by providing them with \$250,000 last year from the Community Dividend. However the full project will cost \$1.9 Million

This is a project that can save lives and property, not just in Ester, and not just private sector, but throughout our community, both public and private facilities.

It is run and maintained 80% by volunteers, so the match is clear and outstanding.

They responded to over 140 calls last year and the number keeps growing.

In addition to Ester, they support all other Fire Associations in the Fairbanks area when needed. One of the most impressive efforts was their support to the major fire at the UAF Physical Plant last fall.

The Ester community alone has grown over 100% since 95, the Fairbanks community is again growing rapidly to close to 90,000 and projected to reach 100,000 before the end of this decade. The need for Fire Service will continue to grow, and I strongly support the Ester Fire Station's request for \$1.9 million to support the growing need.

4/25/2007

SIGNED:

Carter Crawford

Testifier

Self

Representing

107 Maple Fairbanks, AK 99709

Address / Phone Number

452-1395

**Mindy Rowland**

**From:** Joan Diamond [buddy4@alaska.net]  
**Sent:** Tuesday, April 10, 2007 7:19 PM  
**To:** Mindy Rowland  
**Subject:** Capitol fund request

To Senate Finance Committee members:

This request for capitol funding collector roads in Anchorage (Rabbit Creek) is about reducing motor vehicle crashes/injuries. We need to "bleed" traffic away from the only intersection in the area of Rabbit Creek because it cannot accommodate increased cars from current development. Landowners are demanding approval for more plats so they can develop their land according to the zoning without regard to the public health and safety of the surrounding area. The request for road funds is a necessary public safety step. The Municipality of Anchorage has been unable to help us because we are outside the bonded ARDSA area (areawide road service area).

Currently, Municipality of Anchorage has funded a Hillside District Plan that applies primarily to Rabbit Creek and will suggest a development plan for the area. However, it is too little too late for the current demand of the area. We are facing an increase of 1500 more homes with one viable dead end road to support the impact from so many cars. Rabbit Creek is wet and steep adding to the public health risks.

This is a request for the basic infrastructure. Like any rural area in transition, Rabbit Creek is trying to prevent traffic injuries, congestion, and promote child safety and mobility for neighbors.

Funding requests follow:

**Mountain Air Drive / Hillside Drive Extension - \$1,000,000 Sec/ Page 8 - 22**

Currently all traffic is routed to Goldenview Drive from the upper half of Goldenview. This extension will provide a new access route all the way from Romania to Shangri La and out to Rabbit Creek without having to impact S. Goldenview. This will alleviate pressure on S. Goldenview and improve the failing traffic grade due to congestion and accidents. A Traffic light at Rabbit Creek and S. Goldenview to route and calm traffic is not possible due to the grade of Rabbit Creek as it intersects Goldenview. Collector roads are the solution to continued expected growth for this area.

**South Goldenview LRSA Road and Drainage- \$250,000 Sec / Page 9-90**

This project will construct road and drainage improvements in the South Goldenview LRSA, which is south of Rabbit Creek Road and on either side of Goldenview Drive. Existing roadways are dirt/gravel with no lighting. The drainage is inadequate leading to flooding, glaciations, and pothole problems for residents. The requested grant would fund identification of problem areas and alternatives, and design priority improvements. Funding requirements to complete the project total \$800,000.

**Bluebell Drive Reconstruction - \$600,000**

4/11/2007

This project will correct the very severe grade of Bluebell Drive as it intersects South Goldenview. This road grade has been the culprit for several accidents involving vehicles sliding down Bluebell and colliding into cars passing on S. Goldenview. The development past Bluebell on South Goldenview make this a very urgent request with nearly 1000 new homes slated in the 5 years to drive by Bluebell on Goldenview including 660 senior housing units and a new elementary school. MOA already has engineering plans drawn up for the project.

**Goldenview Drive Upgrade / Extension - Rabbit Creek Rd to Potter Valley Rd  
\$900,000 Sec/ Page 9-86**

This project will upgrade and extend this collector street that serves Goldenview Middle School and a widespread residential area covering over two square miles. This existing roadway is a narrow two-lane, strip-paved roadway with no pedestrian facilities, and inadequate drainage and lighting. Improvements are expected to include pavement, drainage, pedestrian facilities, lighting, traffic calming, and landscaping. This grant will fund preliminary engineering, traffic analysis, public involvement, and design effort. Extending Goldenview Dr. south to Potter Valley Rd is essential for traffic circulation and emergency / safety access in this area. This request is a priority to the LRSA, the Community Councils, and the neighborhoods. Construction cost estimate will be developed in the design phase.

Thank you.

Joan Diamond

Rabbit Creek resident 35 years

## Mindy Rowland

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**From:** Dianne [dianneholmes@alaska.net]  
**Sent:** Wednesday, April 11, 2007 10:41 PM  
**To:** Mindy Rowland  
**Subject:** pls distribute to Senate Finance

Mindy,

I'd promised to send color photos for distribution but that will have to come later. Please send this to the Senate Finance members.

Thanks,  
Dianne Holmes

Dear Senate Finance:

I'd like to report that development is alive and well in SE Anchorage. This part of town has a fair amount of undeveloped land --although much of it is wet and steep. But that isn't stopping the developers who are bringing hundreds of acres into plat as we speak. While this may be good for the economy of Anchorage, this development brings with it a SERIOUS safety issue in that there is no infrastructure. There is only one road that currently serves the vast SE segment of town (south of Rabbit Cr Rd) and all traffic from the new subdivisions will be funneled down Goldenview Dr to the already dangerous intersection with Rabbit Creek Rd unless we can get more roads built.

Goldenview Dr is so overburdened that it should not accommodate one more car. And there is absolutely not one inch of shoulder to allow safe walking, yet there is a middle school on the road and the potential for an elementary school.

Normally collector roads would be included in Anchorage's bond package, but because SE Anchorage is outside the city's road district, we must appeal to Juneau for funding. These roads are not for the benefit of developers but rather are needed to serve the larger population who is already living here and who is suffering the development, traffic and drainage pressures.

Our Long Range Transportation Plan calls for two collector roads to be built to help solve this horrendous situation. In fact Anchorage's Platting Board recognizes the dire situation to the point they are holding up the development on about 500 acres near the Bear Valley school until the collector can be designed and funded. It is imperative to get the funding for this Mountain Air Dr collector in order for development to occur. I am surprised the developer hasn't sued the city for not allowing his project to continue. But wisely the Platting Bd recognizes the safety issue of not putting any more traffic on overburdened roads.

The other collector is at the south end of Goldenview Dr and would serve not only the proposed 680 unit senior housing project but several hundreds of acres more, including even in the adjacent Potter Valley. This collector is known as the Goldenview to Potter Road and the design funds that are being requested would also include an upgrade for Goldenview Dr--which is already a huge safety hazard as mentioned above.

Please help fund the continued development of Anchorage by finding monies for the critical collector infrastructure for:

Goldenview Drive Upgrade / Extension - Rabbit Creek Rd to Potter Valley Rd \$900,000 for design (find in Anchorage's CIP list to the State Sec/Page 9-86) and

Mountain Air Drive Extension design and fund-- \$1,000,000 (Sec/ Page B - 33).

Sincerely,

Dianne Holmes  
345-1514

PO Box 1603  
Petersburg, AK 99833  
April 28, 2007

In regards to: SB 125

Senator Bert Stedman, Committee Co-chair and Finance committee;

Dear Sirs:

It was with gravest concern that I read Governor Palin's proposal to shift the burden of cost for the PERS shortfall to municipal employers. My employer provides an extremely high quality of health care in an isolated and sometimes difficult setting. This is made possible because of the caliber of professional staff they have been able to recruit.

The governor's plan to **shift costs to small rural entities** to mediate the retirement shortfall will place an **extraordinary burden** on communities such as Petersburg. Such a switch would overwhelm the financial resources of our facility and withdrawal from PERS would be a likely consequence.

If this were to occur Petersburg Medical Center would no longer have an attractive benefit package to offer professionals in the health care field. We could no longer provide the draw to our beautiful but remote setting that has enabled us to reach and maintain our high standard.

In addition, professional employees such as myself who have made a commitment to our community and its service would be forced to seek employment elsewhere in order to complete our PERS program and ensure our own security in retirement. This would pull from here and other small communities an extremely necessary resource.

I want to see the committee and Governor Palin explore an **alternative plan** such as a state wide sales tax or income tax that **would include the areas of our state's highest population and not target our smallest communities** with undue hardships that they are unable to bear.

Respectfully yours,



Sharon M Hunter RN, BSN, CWCN  
Home Health Manager  
Petersburg Medical Center Home Health Agency

**Project Review Listing  
FY2008 Governor Amended**

*Mindy's mtg  
4/18/07 em*

**Commerce Only**

**Department of Commerce, Community, and Economic Development**

<u>RefNum</u>	<u>AP/AL</u>	<u>Project Title</u>	<u>Fund Source Total</u>	
38950	AP	Alaska Energy Authority Energy Projects	1002 Fed Rcpts	\$30,000,000
			1003 G/F Match	\$1,200,000
			1007 I/A Rcpts	\$500,000
38946	AP	Community Block Grants	1002 Fed Rcpts	\$6,030,000
			1003 G/F Match	\$70,000
38943	AP	Community Development Grants	1002 Fed Rcpts	\$9,750,000
			1003 G/F Match	\$600,000
			1051 CIP Rcpts	\$1,300,000
41789	AP	Kodiak Launch Complex Infrastructure	1101 AERO Rcpts	\$15,000,000
40242	AP	Manufacturing Extension Program	1002 Fed Rcpts	\$806,401
			1175 BLic&Corp	\$806,401
AMD32590	AP	Language Section: Electrical Emergencies	1004 Gen Fund	\$240,000
			1065 Rural Elec	\$90,000
AMD38948	AP	Language Section: NPR-A Impact Grant Program	1063 NPR Fund	\$13,000,000
AMD43323	AP	Alaska Energy Authority - Napakiak-Bethel Intertie Right-of-Way and Site Control	1004 Gen Fund	\$84,000
AMD42941	AP	Four Dam Pool Power Agency	1197 AK Cap Inc	\$28,000,000
AMD40500	AP	Morris Thompson Cultural and Visitor Center - Construction	1004 Gen Fund	\$3,000,000
AMD42927	AP	Data Security and Encryption Information Technology Project	1156 Rcpt Svcs	\$200,000
AMD41959	AP	Arctic Winter Games Team Alaska	1004 Gen Fund	\$275,000

\* Indicates an appropriation with allocations (amounts not included in totals)

**Project Review Listing  
FY2008 Governor Amended**

**Commerce Only**

**Department of Commerce, Community, and Economic Development**

<u>RefNum</u>	<u>AP/AL</u>	<u>Project Title</u>	<u>Fund Source Total</u>	
MD41953	AP	Institute of the North	1004	Gen Fund \$100,000

AHFC Div (1139):	0
General Fund Total:	\$5,569,000
Federal Total:	\$59,586,401
Other Total:	\$45,896,401
Department Total:	\$111,051,802

AHFC Div (1139) Grand Total:	0
General Fund Grand Total:	\$5,569,000
Federal Grand Total:	\$59,586,401
Other Grand Total:	\$45,896,401
Grand Total:	\$111,051,802

\* Indicates an appropriation with allocations (amounts not included in totals)

AP/AL: Appropriation

Project Type: Construction

Category: Development

Location: Statewide

Contact: Ron Miller

House District: Statewide

Contact Phone: (907)269-3000

Estimated Project Dates: 07/01/2007 - 06/30/2012

**Brief Summary and Statement of Need:**

Multiple federally funded energy programs of Bulk Fuel Upgrades, Rural Power Systems Upgrades, Alternative Energy and Energy Efficiency projects. This program contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Fed Rcpts	\$30,000,000						\$30,000,000
G/F Match	\$1,200,000						\$1,200,000
I/A Rcpts	\$500,000						\$500,000
<b>Total:</b>	<b>\$31,700,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,700,000</b>

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
15% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

The Alternative Energy and Energy Efficiency program requires a State general fund match of approximately 15%.

**Project Description/Justification:**

Continuation of the Alaska Energy Authority's (AEA) long-standing energy related programs of Bulk Fuel Upgrades, Rural Power Systems Upgrades, and Alternative Energy and Energy Efficiency Projects. The funding for the programs has been predominately provided by the federal agencies of Denali Commission, U.S. Department of Agriculture - Rural Utility Services, Environmental Protection Agency, and the U.S. Department of Energy. The specifics are:

**(1) Bulk Fuel Upgrades:** When AEA began upgrading bulk fuel tank farms, there were approximately 1100 above-ground tank farms in 171 remote villages in rural Alaska. Most of these tank farms had serious deficiencies that typically include:

- Inadequate dikes to contain fuel spills
- Inadequate foundations, which could cause gradual tank movement and fuel leakage
- Improper piping systems and joints - the most common source of fuel leaks
- Improper siting near wells, beaches, and buildings, or within a flood plain
- Tanks that are rusted or damaged beyond repair
- Electrical code violations
- Inadequate security

This program's mission over the last several years has been to replace these tank farms with new or refurbished facilities that meet all applicable safety and environmental codes. \$61 million is the estimated need to complete the bulk fuel upgrades for the remaining 38 communities identified on the Bulk Fuel Deficiency list.

This program began in approximately 1997 and has expanded since fiscal year 1999 with federal funding from the Denali Commission. In fiscal year 2008 AEA anticipates \$7 million in federal funds.

**(2) Rural Power System Upgrades:** The electric utility systems are part of the basic infrastructure of rural communities. The power plant and distribution systems in most rural communities do not meet accepted utility standards for safety, reliability, and environmental protection. Due to high costs and limited economies of scale, most local communities cannot make the capital investments needed to meet the accepted utility standards.

AEA gives priority to electric utility systems that are in the worse condition. AEA has built a detailed database of electric utility conditions and characteristics. Deficiencies of each utility have been scored with respect to generating equipment, distribution systems, powerhouse structures, and other major physical components. Rural systems are then ranked according to the level of these deficiencies. Additional criteria that are applied to the project selection process include:

- Imminent threat to health and safety
- Imminent threat of system failure during winter conditions
- Financial need based on the level of existing rates, average income, availability of other financing, and project cost compared with utility revenue
- The utility's ability to operate and maintain the facility without future state assistance or the community's willingness to join an established qualified regional utility.
- Projects are needed in order to meet efficiency guidelines under the Power Cost Equalization Program.

Once upgraded, the rural utility is required to employ a qualified operator to ensure that the system is properly operated and maintained.

\$100 million is the estimated need to complete the bulk fuel upgrades for the remaining 60 communities identified on the RPSU deficiency list. This is a long standing energy program that has expanded since fiscal year 1999 with federal funding from the Denali Commission. In fiscal year 2008 AEA anticipates \$15 million in federal funds.

**(3) Alternative Energy and Energy Efficiency Programs:** The objective is to lower the cost of power and heat to predominantly rural communities while maintaining system safety and reliability. The alternative energy program has received funding for several years from the US Department of Energy (USDOE) and has recently expanded with funding from the Denali Commission. EPA and USDA are also anticipated federal funding sources. A state general fund match of approximately 15% is required for most AEEE programs. In fiscal year 2008 AEA anticipates \$8 million in federal funding, \$500,000 in federal funding passed through Alaska Housing Finance Corporation, and an estimated state match requirement of \$1,200,000.

The AEEE program includes the following projects:

- Fuel efficiency improvements, including the Diesel Generation Efficiency Improvements program, the "Waste Heat" Recovery from Diesel Generators program, and the Energy Storage System Development program.
- Hydroelectric and intertie project pass through grants. AEA manages several federal pass through grants for larger power projects. The Southeast Conference has requested that AEA manage an anticipated USDOE grant for the southeast intertie project.
- Rebuild America program provides grants to conduct energy audits to identify conservation measures saving schools and other rural facilities over \$2 million per year. AEA receives the USDOE funds through an RSA with AHFC. This program requires a 1:1 match of federal and state dollars.
- Wind energy development activities which include wind resource mapping and assessment, AEA's anemometer loan program, project siting and bird habitat impact assessment, conceptual design and technology analysis for hybrid wind-diesel systems, and evaluation of field results from operating systems required for additional federal construction funds.

- Biomass program which tests air emissions and performance of fish oil and diesel blends as fuel, and utilization of sawmill and municipal wastes for energy. EPA and USDA are potential funding sources for biomass projects and typically have a 1:1 match requirement.
- In FY03 and FY04, using USDOE funds requiring a 25% state cost share, AEA conducted a statewide assessment of geothermal energy resources. The assessment identified several potentially favorable geothermal project locations, including the City of Akutan and a local fish processor which together import 4.3 million gallons of diesel per year into the community. AEA plans to support follow-up work with USDOE and other interested industry and government partners to test suitability of the resource.
- Energy Cost Reduction Initiative began in FY2003, this initiative provides grants to match communities loan funds necessary for the study and/or implementation of energy cost reduction initiatives.

## Summary of Anticipated Funding by Federal Agency:

Federal Agency	Federal	General Funds	Interagency	Total
Denali Commission	26,650,000			26,650,000
USDOE	2,750,000	400,000		3,150,000
USDOE (Through AHFC)		200,000	500,000	700,000
Other federal	600,000	600,000		1,200,000
Total	30,000,000	1,200,000	500,000	31,700,000

## Funding History (includes both State and Federal funding)

Year	Amount	Legislation
FY 1997	1,000,000	SLA 96 Ch 123 Page 45 Line 31
FY 1997	500,000	SLA 96 Ch 123 Page 45 Line 25
FY 1997	1,600,000	SLA 96 Ch 123 Page 45 Line 37
FY 1998	10,000,000	SLA 97 Ch 100 Page 42 Line 20
FY 1998	1,600,000	SLA 97 Ch 100 Page 42 Line 27
FY 1998	600,000	SLA 97 Ch 100 Page 42 Line 21
FY 1999	30,000,000	SLA 98 Ch 139 Page 40 Line 21
FY 1999	1,600,000	SLA 98 Ch 139, Page 40 Line 14
FY 2000	1,600,000	SSLA 99 Ch 2 Page 84 Line 27
FY 2001	30,450,000	SLA 00 Ch 135 Page 3 Line 9
FY 2001	1,600,000	SLA 00 Ch 135 Page 3 Line 6
FY 2002	4,950,000	SLA 01 Ch 61 Page 3 Line 13
FY 2002	10,000,000	SLA 01 Ch 61 Page 3 Line 15
FY 2002	5,487,000	SLA 01 Ch 61 Page 3 Line 17
FY 2003	30,000,000	SSLA 02 Ch 1 Page 3 Line 32
FY 2003	1,600,000	SSLA 02 Ch 1 Page 3 Line 15
FY 2004	100,000	SLA 03 Ch 82 Page 3 Line 10
FY 2004	35,000,000	SLA 03 Ch 82 Page 3 Line 13
FY 2005	35,750,000	SLA 04 Ch 159 Page 3 Line 7
FY 2006	23,220,000	FSSLA 05 Ch 3 Page 3 Line 26
FY 2007	15,200,000	SLA 06 Ch 52 Page 2 Line 29

**Community Block Grants**

FY2008 Request: \$6,100,000  
Reference No: 38946

AP/AL: Appropriation  
Category: Development  
Location: Statewide  
House District: Statewide  
Estimated Project Dates: 07/01/2007 - 06/30/2012

Project Type: Health and Safety  
Recipient: Various  
Contact: Michael Black  
Contact Phone: (907)269-4578

**Brief Summary and Statement of Need:**

Multiple federally-funded programs, enabling Commerce to provide grants to communities and non-profits that provide services and/or benefit the low- to moderate-income individuals. This program contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Fed Rcpts	\$6,030,000	\$6,030,000	\$6,030,000	\$6,030,000	\$6,030,000		\$30,150,000
G/F Match	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000		\$350,000
<b>Total:</b>	<b>\$6,100,000</b>	<b>\$6,100,000</b>	<b>\$6,100,000</b>	<b>\$6,100,000</b>	<b>\$6,100,000</b>	<b>\$0</b>	<b>\$30,500,000</b>

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> Cn-Going
2% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

The Community Development Block Grants program has a 2% State general fund match requirement.

**Project Description/Justification:**

Specific federally-funded programs:

**1. Community Services Block Grants:** As authorized by federal Public Law 97-35, throughout the United States the federal Department of Health and Human Services (H&HS) has designated 950 "Community Action Agencies" (CAA's) -- all of whom may then receive federal funding that passes-through their appropriate state agency. Within Alaska the federal H&HS has designated only one CAA -- that entity is the non-profit corporation Rural Alaska Community Action Program, referred to as RurAL CAP.

RurAL CAP's mission is to protect the heritage of, while also improving the quality of life for, low-income rural Alaskans. This is accomplished through educational programs such as alcohol and drug abuse prevention programs, prevention of fetal alcohol syndrome programs, and child development programs; adult training; affordable housing programs; advocacy of and instructing low-income individuals how to advocate for themselves.

This program has been in existence since before 1980. The federal H&HS provides 100 percent of the funding which has averaged \$2,485,000 annually. For FY2008 Commerce anticipates \$2,485,000 in federal funding.

**2. Food and Nutrition Grants:** This program provides grants to non-profit corporations that work with and/or coordinate efforts of the various entities providing services to the homeless throughout Alaska.

This program has been in existence since before 1980. The federal Department of Health and Human Services, Office of Community Services provides 100 percent of the funding which averages \$15,000 annually. For FY2008 Commerce anticipates \$15,000 in federal funding.

**3. Community Development Block Grants:** This program provides grants not to exceed \$200,000 to municipalities for planning activities, infrastructure projects, and economic development activities which benefit low - to moderate - income individuals.

This program has been in existence since 1983. The federal Department of Housing and Urban Development (HUD) provides the funding, which ranges from \$3,000,000 to \$3,500,000 annually with a State match of \$70,000. For FY2008 Commerce anticipates \$3,400,000 in federal funding with a state match of \$70,000.

**4. Emergency Shelter Grants:** As authorized by federal Public Law 100-71, this program provides grants to non-profit corporations that provide services and/or facilities to the abused or homeless.

This program has been in existence since before 1980. The federal Department of Housing and Urban Development (HUD) provides 100 percent of the funding which averages \$130,000 annually. For FY2008 Commerce anticipates \$130,000 in federal funding.

#### Summary of Anticipated Federal and GF Match Funding by Federal Agency:

Federal Agency	Federal	General Fund	Total
HHS	2,500,000		2,500,000
HUD	3,530,000	70,000	3,585,000
Total	6,030,000	70,000	6,100,000

#### Funding History

Year	Amount	Legislation
FY 1995	7,000,000	SLA 1994 Ch 4 Page 31 Line 4
FY 1996	7,000,000	SLA 1995 Ch 103 Page 60 Line 14
FY 1997	9,000,000	SLA 1996 Ch 123 Page 45 Line 34
FY 1998	9,000,000	SLA 1997 Ch 100 Page 42 Line 10
FY 1999	9,000,000	SLA 1998 Ch 139 Page 40 Line 16
FY 2000		None
FY 2001	6,000,000	SLA 00 Ch 135 Page 3 Line 8
FY 2002	9,000,000	SLA 01 Ch 61 Page 3 Line 10
FY 2003	9,000,000	SLA 02 Ch 01 Page 3 Line 17
FY 2004	6,000,000	SLA 03 Ch 82 Page 3 Line 6
FY 2005	6,000,000	SLA 04 Ch 159 Page 3 Line 1
FY 2006	6,115,000	FSSLA 05 Ch 3 Page 3 Line 22
FY 2007	6,115,000	SLA 06 Ch 82 Page 3 Line 24

**Community Development Grants**

**FY2008 Request: \$11,650,000**

**Reference No: 38943**

**AP/AL:** Appropriation  
**Category:** Development  
**Location:** Statewide  
**House District:** Statewide  
**Estimated Project Dates:** 07/01/2007 - 06/30/2012

**Project Type:** Construction  
**Recipient:** Various  
**Contact:** Michael Black  
**Contact Phone:** (907)269-4578

**Brief Summary and Statement of Need:**

Multiple federally-funded programs, enabling Commerce to provide grants to communities and non-profit organizations for community development. These programs contribute to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
CIP Rcpts	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000		\$6,500,000
Fed Rcpts	\$9,750,000	\$9,750,000	\$9,750,000	\$9,750,000	\$9,750,000		\$48,750,000
C/F Match	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000		\$3,000,000
<b>Total:</b>	<b>\$11,650,000</b>	<b>\$11,650,000</b>	<b>\$11,650,000</b>	<b>\$11,650,000</b>	<b>\$11,650,000</b>	<b>\$0</b>	<b>\$58,250,000</b>

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
67% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

State general fund match requirements are as follows: Alaska's Floodplain and Erosion Management Program - 25%; Mini-Grant program - 20% of the USDA portion; Accelerated Infrastructure Development Grants program - 30%; Business Development program - approximately 67%; and Coastal Zone Management Program - 10%

**Project Description/Justification:**

**1. Alaska's Floodplain and Erosion Management Program:** This program's mission is to reduce public and private sector damage and losses from flooding and erosion. This is accomplished by providing communities that participate in the National Flood Insurance Program (NFIP) with technical assistance and grants for the initial planning and subsequent construction of flood mitigation projects.

Commerce and the Federal Emergency Management Agency's (FEMA) Flood Mitigation Assistance Program (FMAP) personnel are actively working with the communities on every phase of a potential project -- applying for a planning grant, approving the resulting plan, approving a construction grant, approving a completed project.

This program has existed since 1997. FEMA provides funding for Map Modernization, Community Assistance, Technical Assistance, and assistance to specific communities. From FY2000 through FY2007 the average total funding was \$400,000, with FEMA providing \$300,000 and requiring \$100,000 (25 percent match) from the State

For FY2008 Commerce anticipates \$300,000 in federal funding with a State match requirement of \$100,000.

**2. Mini-Grants:** This program provides grants to rural communities for projects that develop, expand, and/or diversify a community's economy. Typical projects are the development of a community economic plan or strategy; feasibility studies or infrastructure projects; design and engineering studies; business plans for community cooperatives; upgrades to tourism infrastructure such as recreational vehicle facilities; and upgrades to marine facilities and/or educational facilities.

The program has existed since the mid 1980's. From FY2000 through FY2007 the program has been funded by two federal agencies, the U.S. Department of Agriculture (USDA) and the Denali Commission (DC). The USDA funding ranges from \$200,000 to \$250,000 annually and requires a \$50,000 match (20 percent) from the State. The DC funding ranges from \$250,000 to \$500,000 and requires no State match.

For FY2008 Commerce anticipates \$250,000 in federal funding from the USDA, \$500,000 in federal funding from the DC, and \$50,000 General Fund match (20 percent of the USDA portion).

**3. Multi-Use Facilities Grants:** This program was established in FY2004. This program provides grants to communities for the construction and/or remodeling of multi-use facilities in rural Alaska communities. Communities are required to contribute 10 to 25 percent of the cost of the project.

The DC funding has been at \$8,000,000 annually since its inception and requires no State match. For FY2008 Commerce anticipates \$8,000,000 in federal funding. A State match will not be required.

**4. Accelerated Infrastructure Development Grants:** This program was established in FY2003. This program provides funding for the development of community profile maps for unmapped communities. Thirty-two communities within the Aleutians East Borough, Lake and Peninsula Borough, and Bristol Bay were mapped in FY2004. Another 48 communities in Lower Kuskokwim, Bering Straits, Copper Valley, and Southeast will be mapped by the end of FY2007. Communities are required to contribute 50 percent of the cost of the project.

The program is currently funded with \$1,600,000 from the federal Denali Commission (DC), \$550,000 in Inter Agency receipts from the State's Department of Transportation, and \$120,000 state match from Commerce. Total funding is \$2,270,000 and local communities are contributing another \$475,550 (approximately 39%).

The program will continue through June 2008. Commerce anticipates continuing the program beyond June 2008 with another \$400,000 in federal funding from the DC and \$120,000 in General Fund match.

**5. Business Development:** Though specific programs vary from year-to-year, the overall theme of having some type of federally funded program that promotes development of small businesses in Alaska remains consistent. Usually, these types of development programs are funded by the federal U.S. Department of Commerce, Economic Development Administration (EDA). In FY2007 Commerce implemented two programs.

The first program provides technical assistance and mentoring of individuals desiring to establish and/or expand tourism related businesses in rural Alaska. EDA provided \$95,000 in federal funding and Commerce provided \$30,000 in General Fund match.

The second program, titled Coalition for Economic Development in Alaska, provides grants to the Alaska Regional Development Organizations whom in turn work with businesses in their respective regions. EDA provided \$200,000 in federal funding and Commerce provided \$215,000 in General Fund monies.

In FY2008 Commerce anticipates another \$300,000 from EDA for existing or similar programs and General Fund match of \$200,000.

**6. Coastal Zone Management Program:** Commerce is required by Alaska State law (AS 44.33.781) to conduct a program of research, training, and technical assistance necessary for the development, implementation and maintenance

**Community Development Grants**

**FY2008 Request: \$11,650,000**

**Reference No: 38943**

of district coastal management plans under AS 46.40. As part of its technical assistance to coastal resource districts, Commerce awards and manages Alaska Coastal Management Program (ACMP) grant funds.

The program ranges from \$1,000,000 to \$1,300,000 annually and is funded with Capital Improvement Receipts (CIP) from the Department of Natural Resources whom in turn receives their funding from the U.S. Department of Commerce, NOAA. Each grantee provides 20 to 50 percent of the project's cost. A state match is also required.

In FY2008, Commerce anticipates its annual allotment from the Department of Natural Resources, to be \$1,300,000 with required General Fund match of \$130,000.

**Summary of Anticipated Funding by Federal Agency**

Federal Agency	Federal	CIP	General Fund	Total
FEMA	300,000		100,000	400,000
USDA	250,000		50,000	300,000
DC	8,900,000		120,000	9,020,000
EDA	300,000		200,000	500,000
DOC Thru DNR		1,300,000	130,000	1,430,000
<b>Total</b>	<b>9,750,000</b>	<b>1,300,000</b>	<b>600,000</b>	<b>11,650,000</b>

**Funding History**

Year	Amount	Legislation
FY 1997	1,280,000	SLA 96 Ch 123 Page 45 Line 33
FY 1998	156,000	SLA 97 Ch 100 Page 42 Line 5
FY 1999	200,000	SLA 98 Ch 139 Page 40 Line 19
FY 2000	350,000	SLA 99 Ch 02 Page 38 Line 29
FY 2001	350,000	SLA 00 Ch 135 Page 3 Line 11
FY 2001	700,000	SLA 00 Ch 135 Page 3 Line 15
FY 2002	6,350,000	SLA 01 Ch 61 Page 3 Line 11
FY 2003	3,130,000	SLA 02 Ch 01 Page 3 Line 30
FY 2004	3,620,000	SLA 03 Ch 82 Page 3 Line 8
FY 2005	26,375,000	SLA 04 Ch 159 Page 3 Line 5
FY 2006	14,388,000	SLA 05 Ch 3 Page 3 Line 24

**Fisheries Revitalization Grants**

**FY2008 Request: \$0**  
**Reference No: AMD42925**

**AP/AL:** Appropriation  
**Category:** Development  
**Location:** Statewide  
**House District:** Statewide  
**Estimated Project Dates:** 07/01/2007 - 06/30/2012

**Project Type:** Equipment  
**Recipient:** Various  
**Contact:** Sam Thomas  
**Contact Phone:** (907)465-2506

**Brief Summary and Statement of Need:**

A \$15 million project is currently included in the FY08 capital budget for fisheries revitalization programs. Federal funding is no longer anticipated for fiscal year 2008 and this amendment eliminates the funding request.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Total:	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Starting in fiscal year 2004, the Department received approximately \$44 million in federal funding passed through the Governor's Office and the Department of Fish and Game for the Fisheries Revitalization Strategy program.

**Project Description/Justification:**

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Kodiak Launch Complex Infrastructure

FY2008 Request: \$15,000,000  
Reference No: 41789

FY 2001	17,900,000	SLA 00 Ch 135 Page 3 Line 13	32627-05
FY 2002	4,500,000	SLA 01 Ch 61 Page 3 Line 23	32639-06
FY 2002	20,000,00	SSSLA 02 Ch 1 Page 112 Line 4	32673-06
FY 2004	38,000,000	SLA 03 Ch 82 Page 45 Line15	32679-08
FY 2006	36,000,000	FSSLA05 Ch3 Page3 Line27	32723-09
FY 2007	15,200,000	SLA 06 Ch82 Page 3 Line 29	10333-11

**Manufacturing Extension Program**

**FY2008 Request: \$1,612,802**  
**Reference No: 40242**

**AP/AL: Appropriation**  
**Category: Development**

**Project Type: Renovation and Remodeling**  
**Recipient: Alaska Manufacturing Extension Partnership, Inc.**

**Location: Statewide**  
**House District: Statewide**

**Contact: Sam Thomas**  
**Contact Phone: (907)465-2506**

**Estimated Project Dates: 07/01/2007 - 06/30/2012**

**Brief Summary and Statement of Need:**

The Federal Manufacturing Extension Program (MEP) will support Alaska's small and medium sized manufacturers throughout the state by providing them access to knowledgeable manufacturing and business specialists throughout the United States. This program contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves.

<b>Funding:</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>Total</b>
BLic&Corp	\$806,401						\$806,401
Fed Rcpts	\$806,401						\$806,401
<b>Total:</b>	<b>\$1,612,802</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,612,802</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

**Project Description/Justification:**

The Manufacturing Extension Program (MEP) is a nationwide network of not-for-profit centers in nearly 350 locations nationwide, whose sole purpose is to provide small and medium sized manufacturers with the help they need to succeed. Centers are funded by federal, state, local, and private resources.

The centers, serving all 50 states and Puerto Rico, are linked together through the federal Department of Commerce's National Institute of Standards and Technology. The link will make it possible for even the smallest and remotest of Alaska's small manufacturers to tap into the expertise of knowledgeable manufacturing and business specialists throughout the United States.

Each Center works directly with area manufacturers to provide expertise and services tailored to their needs, which range from process improvements and worker training to business practices and applications of information technology. Solutions are offered through a combination of direct assistance from center staff and outside consultants.

The success of more manufacturers throughout Alaska will improve the economy with increased jobs, sales, training, and equipment investments.

**Manufacturing Extension Program**

**FY2008 Request: \$1,612,802**  
**Reference No: 40242**

This request will be awarded as a grant to Alaska Manufacturing Extension Partnership, Inc. and is being used as a match (State's contribution) to the federal grants that have or will be awarded to Alaska Manufacturing Extension Partnership, Inc.

\$806,401 is being requested and will be used to provide the one-to-one match required of the federal agency providing a federal grant directly to the Alaska Manufacturing Extension Partnership, Inc.

Analysis of Federal and State Grant Agreements With AMEP				
AMEP's Grant Agreements	Duration	Federal	State of Alaska	Private Sector
Signed with Feds	Oct 2004 - Dec 2006	1,519,338		
Signed with State	Oct 2005 - Sept 2006		800,000 AR 32728-10	
Signed with State	Oct 2006 - Sept 2007		1,340,806 AR 10335-11	
Total		1,519,338	2,140,806	
Anticipate with Feds	Jan 2007 - March 2007	209,271		
Anticipate with Feds	April 2007 - June 2007	209,271		
Anticipate with Feds	July 2007 - Sept 2007	209,271		
Projected Federal and State Funding through Sept 2007		2,147,151	2,140,806	
Anticipate with Feds and State	Oct 2007 - Sept 2008	806,401	806,401	
Anticipate with Feds and State	Oct 2008 - Sept 2009	800,000	800,000	
Total		3,753,552	3,747,207	

**Notes:**

- (1) The State of Alaska amounts listed above are only HALF of what was appropriated by the Legislature.
- (2) The remaining half was not spent since it was federally funded directly with AMEP. The State was not a party to those Federal Grant Agreements.

**Funding History**

Year	Amount	Legislation
FY 2006	1,600,000	FSSLA 05 Ch 3 Page 103 Line 22
FY 2007	2,681,612	SLA 06 Ch 82 Page 3 Line 32

Language Section: Electrical Emergencies

FY2008 Request: \$330,000  
Reference No: AMD32590

AP/AL: Appropriation  
Category: Development  
Location: Statewide  
House District: Statewide  
Estimated Project Dates: 07/01/2007 - 06/30/2012

Project Type: Renovation and Remodeling  
Contact: Ron Miller  
Contact Phone: (907)269-3000

**Brief Summary and Statement of Need:**

To provide technical support when an electric utility has lost, or will lose, the ability to generate or transmit power to its customers and the condition is a threat to life, health, and/or property in the rural community. This program contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. This amendment adds \$240.0 in general funds to this project. Historically, an average of \$330.0 annually has been needed to provide for electrical emergencies.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000		\$1,200,000
Rural Elec	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000		\$450,000
<b>Total:</b>	<b>\$330,000</b>	<b>\$330,000</b>	<b>\$330,000</b>	<b>\$330,000</b>	<b>\$330,000</b>	<b>\$0</b>	<b>\$1,650,000</b>

State Match Required     One-Time Project     Phased - new     Phased - underway     On-Going  
0% = Minimum State Match % Required     Amendment     Mental Health Bill

**Operating & Maintenance Costs:**

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

**Project Description/Justification:**

The Electrical Emergencies Program provides funds and technical support when an electric utility has lost, or will lose, the ability to generate or transmit power to its customers and the condition is a threat to life, health, and property in the community. Emergencies of this type result in the loss of communications, lights, refrigeration systems, washeterias, water and sewer systems, and the use of other basic infrastructure and equipment. Extended power outages can be costly and hazardous during winter months. Water and sewer systems are subject to freezing and bursting, fire hazards increase, medical clinics and other public facilities may close, and public safety can be compromised. The emergencies involve both power plant failures and/or distribution system failures.

**Funding History:** This appropriation has been funded in the language section of the capital bill since at least SLA 97.

Year	Amount	Legislation
FY 1998	375,400	SLA 97 Ch 100 Page 21 Line 19
FY 1999	392,700	SLA 98 Ch 139 Page 3 Line 13
FY 2000	351,500	SLA 99 Ch 2 Page 5 Line 20
FY 2001	603,000	SLA 00 Ch 135 Page 66 Line 30
FY 2002	425,200	SLA 01 Ch 61 Page 75 Line 22

Language Section: Electrical Emergencies

FY2008 Request:  
Reference No:

\$330,000  
AMD32590

FY 2003	378,000	SLA 02 Ch 1 Page 110 Line 14
FY 2004	349,500	SLA 03 Ch 82 Page 87 Line 10
FY 2005	331,860	SLA 04 Ch 159 Page 58 Line 14
FY 2006	333,121	FSSLA 05 Ch 3 Page 102 Line 8
FY 2007	349,100	SLA 06 Ch 82 Page 146 Line 20, Line 25

AP/AL: Appropriation  
Category: Development  
Location: Barrow  
House District: Arctic  
Estimated Project Dates: 07/01/2007 - 06/30/2012

Project Type: Construction  
Recipient: Various  
Contact: Michael Black  
Contact Phone: (907)465-4578

**Brief Summary and Statement of Need:**

Grants to communities for public facilities and services. Priority is given to those communities directly or severely impacted by the leases and development of oil and gas within the National Petroleum Reserve. This program contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. This project has been amended to revise the amount anticipated from the National Petroleum Reserve fund from an original estimate of \$40 million to a more current estimate of \$13 million.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
NPR Fund	\$13,000,000						\$13,000,000
<b>Total:</b>	<b>\$13,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,000,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to funding matrix in the detailed description.

**Project Description/Justification:**

As authorized December 12, 1980, by 42 U.S.C. Chapter 78, Sections 6501-6508, the Federal Government, through the U.S. Department of the Interior, Bureau of Land Management (BLM) manages and allows the exploration and development of oil and gas within the National Petroleum Reserve-Alaska (NPR-A). In accordance with 42 U.S.C. § 6508, fifty percent of the money received by the federal government from the "sales, rentals, bonuses, and royalties on leases issued . . ." within the NPR-A is paid to the State of Alaska.

As required by Alaska Statute (AS) 37.05.530, Alaska Administrative Code (AAC) 3 AAC 150.010 – 150.090 was adopted, establishing the NPR-A Impact Program which allow municipalities impacted by oil and gas development in the NPR-A to apply for assistance (grants) to alleviate the impact. In accordance with:

- AS 37.05.530(c), participation is limited to municipalities.
- AS 37.05.530(c), (d), and (e), municipalities must demonstrate present impact or the need to determine or plan for future impact.
- AS 37.05.530(c), priority is given to municipalities that are experiencing or will experience the most direct or severe impact from oil and gas development.
- AS 37.05.530(e), municipalities may use the funds to alleviate the impact of the oil and gas development only for the following activities and services: (1) planning; (2) construction, maintenance, and operation of essential public facilities by the municipality; and (3) other necessary public services provided by the municipality.

- AS 37.05.530(f), funds may not be used for the retirement of municipal debt.
- 3 AAC 150.050(c), *impact* is defined as an effect reasonably attributable to NPR-A oil and gas activities under 42 U.S.C. § 6508 on (1) population; (2) employment; (3) finances; (4) social and cultural values; (5) air and water quality; (6) fish and wildlife habitats; (7) the ability to provide essential public services, including health care, public safety, education, transportation, utilities, and government administration; and (8) other things of demonstrable importance to the applicant or the applicant's residents.

As required by Alaska Statute (AS) 37.05.530(g) NPR-A funds received that are not appropriated for the NPR-A Impact Program are deposited as follows: (1) 25 percent to the principal of the Alaska Permanent Fund; (2) .5 percent to the Public School Trust Fund (AS 37.14.110); and (3) the remaining amount may be appropriated to the Power Cost Equalization and Rural Electric Capitalization Fund (AS 42.45.100).

Commerce is anticipating the receipt of *approximately* \$13,000,000 in NPR-A monies from the 1999, 2002, 2004 and 2006 oil leases issued by the federal government -- the actual monies will be received in December 2006 (\$2,197,371.50) and in May 2007.

**Funding History:** This appropriation is routinely authorized in the language section of the capital bill.

Year	Amount	Legislation	Cash Received
FY2000	20,000,000	SLA 99 Ch 2 Page 28 Line 25	\$ 40,298,622
FY2002	1,683,900	SLA 01 Ch 61 Page 124 Line 3	\$ 1,683,849
FY2003	1,686,100	SLA 02 Ch 1 Page 108 Line 20	\$ 1,686,104
FY2004	25,011,457	SLA 03 Ch 82 Page 86 Line 20	\$ 34,556,469
FY2005	2,530,586	SLA 04 Ch 159 Page 57 Line 22	\$ 2,530,586
FY2006	24,706,539	FSSLA 05 Ch 3 Sec 10(a)	\$ 31,594,594
FY2007	4,278,502	SLA 06 Ch 82 Sec 22(a)	\$ 4,478,163

Alaska Energy Authority - Napakiak-Bethel Intertie Right-of-Way and Site Control      FY2008 Request: \$84,000  
 Reference No: AMD43323

AP/AL: Appropriation      Project Type: Renewal and Replacement  
 Category: Development  
 Location: Bethel      Contact: Ron Miller  
 House District: Bethel      Contact Phone: (907)269-3000  
 Estimated Project Dates: 07/01/2007 - 06/30/2012

**Brief Summary and Statement of Need:**

The Alaska Energy Authority owned electrical distribution line between Napakiak and Bethel is in the process of being upgraded from a single distribution line to a three-phase line through a federal grant to Napakiak Ircinraq Power Company. To comply with the terms of the federal grant, State funds are required to complete the right of way acquisition and to cover associated site control costs. This amendment is being requested as it was recently discovered that the right-of-way filings had not been finalized and needs to be done before the federal project can proceed.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$84,000						\$84,000
<b>Total:</b>	<b>\$84,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$84,000</b>

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	<u>0</u>	<u>0</u>
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

No prior funding request.

**Project Description/Justification:**

The Alaska Energy Authority (AEA) owned electrical distribution line between Napakiak and Bethel is in the process of being upgraded from a single distribution line to a three-phase line through a federal grant to Napakiak Ircinraq Power Company.

The Napakiak-Bethel Intertie (the Project) is a 10.5 mile AEA owned distribution line between Napakiak and Bethel built in 1980 as a Single Wire Ground Return (SWGR) demonstration project. This line allows Napakiak Ircinraq Power Company (NIPC) to buy electricity from the Bethel Utility. This distribution line is past its initial usefulness, and has been deteriorating, resulting in line losses, high energy costs, and appliance and equipment failures. AEA assisted NIPC in applying for a United States Department of Agriculture - Rural Utility System grant to upgrade the line from a SWGR to a three-phase line. The grant application was successful and \$2,775,000 was awarded to NIPC for this Project. Once the upgrade is completed, AEA intends to transfer the distribution line to the Napakiak Ircinraq Power Company.

AEA historical files are incomplete and indicate that the right-of-way filings were not finalized. To comply with the terms of the federal grant, State funds are required to acquire a right-of-way and to cover associated site control costs, such as survey, appraisal and recording fees.



**Morris Thompson Cultural and Visitor Center - Construction**

**FY2008 Request: \$3,000,000**  
**Reference No: AMD40500**

**AP/AL: Appropriation**  
**Category: Development**

**Project Type: Construction**  
**Recipient: Morris Thompson Cultural and Visitors Center**

**Location: Fairbanks Areawide**  
**House District: Fairbanks Areawide**

**Contact: Samuel Thomas**  
**Contact Phone: (907)465-2506**

**Estimated Project Dates: 07/01/2007 - 06/30/2012**

**Brief Summary and Statement of Need:**

This project will provide a grant for partial funding for the construction of the Morris Thompson Cultural and Visitors Center. This program contributes to the Department's mission of promoting strong communities. This amendment is requested to help finish construction of this project.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$3,000,000						\$3,000,000
<b>Total:</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,000,000</b>

- |   |   |   |   |                                   |
|---|---|---|---|-----------------------------------|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new         | <input checked="" type="checkbox"/> Phased - underway | <input type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required           |   | <input checked="" type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill           |                                   |

**Operating & Maintenance Costs:**

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Refer to the funding matrix in the detailed description.

**Project Description/Justification:**

This project will provide a grant to the Morris Thompson Cultural and Visitors Center in Fairbanks. The Fairbanks Convention and Visitors Bureau and the Alaska Public Lands Information Center will relocate from their current locations to this new facility. The center will provide visitor information services, trip planning, environmental education, interpretive exhibits displaying the wilderness, diverse cultures and historical evolution of the Interior. A small theater will provide short introductory films for visitors, and will be available for community events and programs. As funds are available, artisans galleries, a library, and children's areas will be provided. Finally, some administrative space will be provided to support the operations and programs offered by the center.

To date, \$22.2 million of the \$29 million total anticipated cost has been secured, consisting of \$16.5 million in federal funds, \$3.1 million in State funds, \$250,000 from the Fairbanks North Star Borough, and \$2.3 million from private contributors. This final \$3.0 million request will bring the total State contribution to \$6.1 million (21% of the total project cost) and help finish construction on the project.

**Funding History**

Year	Amount	Legislation
FY 2005	550,000	SLA 05 Ch 159 Page 18 Line 4
FY 2006	550,000	FSSLA 05 Ch 3 Page 10 Line 33
FY 2007	2,000,000	SLA 06 Ch 82 Page 19 Line 24

**Data Security and Encryption Information Technology Project**

**FY2008 Request: \$200,000**  
**Reference No: AMD42927**

AP/AL: Appropriation **Project Type: Information Systems**  
 Category: General Government  
 Location: Statewide **Contact: Sam Thomas**  
 House District: Statewide **Contact Phone: (907)465-2506**  
 Estimated Project Dates: 07/01/2007 - 06/30/2012

**Brief Summary and Statement of Need:**

Banking and Securities requires data security and encryption enhancements.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Rcpt Svcs	\$200,000						\$200,000
<b>Total:</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>

- |   |  |   |   |                                   |
|---|--|---|---|-----------------------------------|
| <input type="checkbox"/> State Match Required | <input checked="" type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new         | <input type="checkbox"/> Phased - underway  | <input type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required           |  | <input checked="" type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill |                                   |

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

No prior funding.

**Project Description/Justification:**

The Banking and Securities division performs audits and examinations of banks doing business in the state and premium finance companies in/out of state the bank examiners typically work out of the office, onsite in banks. They use laptop computers exclusively to do their job. Part of that job requires them to download and use large amounts of very sensitive and confidential data (social security numbers, telephone numbers, and bank account numbers). A typical download can contain more than 46,000 social security numbers.

Without a high level of protection for this data, including the eventuality of a lost or stolen laptop all data stored on laptops needs to be encrypted. Additionally, these machines must be capable of encrypting any data sent to other agencies.

Following a case in California that resulted in the loss of several thousand confidential records the Federal Deposit Insurance Corporation (FDIC) has notified all banking related entities to anticipate a very short notice requirement for encryption of mobile device sensitive data.

The same solution will be required for the licensing and insurance divisions since they deal with the same confidential data. The State of Alaska has multiple bills working through the legislative process at this time that will make all State agencies subject to disclosure notification requirements and financial penalties for the inadvertent release of sensitive personal data. In anticipation of these requirements the Enterprise Technology Services (ETS) Division in the Department of Administration is currently working toward a centrally managed security system that will give all departments the capability the Department of Commerce is seeking. ETS has requested \$500.0 for fiscal year 2008 for that purpose. The solutions proposed with this Commerce funding will provide Commerce the ability to immediately implement an interim solution that will secure their mobile devices, starting with the banking, licensing, and insurance examiners, and to secure their data during transit from those machines. This solution will be fully capable of migration to the enterprise solution ETS will be completing in the same time frame. ETS will be responsible for ensuring that the enterprise solution meets or exceeds all of Commerce's requirements. Project management will be shared between the two departments. As soon as

**Data Security and Encryption Information Technology  
Project**

**FY2003 Request: \$200,000  
Reference No: AMD42927**

that wider solution becomes available the balance of the funding will be used to migrate Commerce to the enterprise solution.

The projected cost for this project includes all hardware, software, and consulting services required to fully provision the interim solution for Commerce and to migrate them to the more robust enterprise solution when it becomes available.



Institute of the North

FY2008 Request: <sup>CAP CYCLES 3</sup> \$100,000  
Reference No: AMD41953

AP/AL: Appropriation  
Category: Education  
Location: Anchorage Areawide  
House District: Anchorage Areawide  
Estimated Project Dates: 07/01/2007 - 06/30/2012

Project Type: Planning  
Recipient: Institute of the North  
Contact: Samuel Thomas  
Contact Phone: (907)465-2506

**Brief Summary and Statement of Need:**

This project will provide funding to the Institute of the North, which is an educational organization that advances issues related to economic growth and sustainability in Alaska and throughout the Arctic region.

Funding:	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$100,000						\$100,000
Total:	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

**Additional Information / Prior Funding History:**

FY07 \$75,000 SLA 2006 Ch. 82, Sec. 1, Page 16. Line 23

**Project Description/Justification:**

After 10 years as an off-campus program of Alaska Pacific University, the Institute of the North (ION) became its own 501(c) 3 non-profit educational organization in 2004 and continues to be a leader in advancing issues related to economic growth and sustainability in Alaska and throughout the Arctic region.

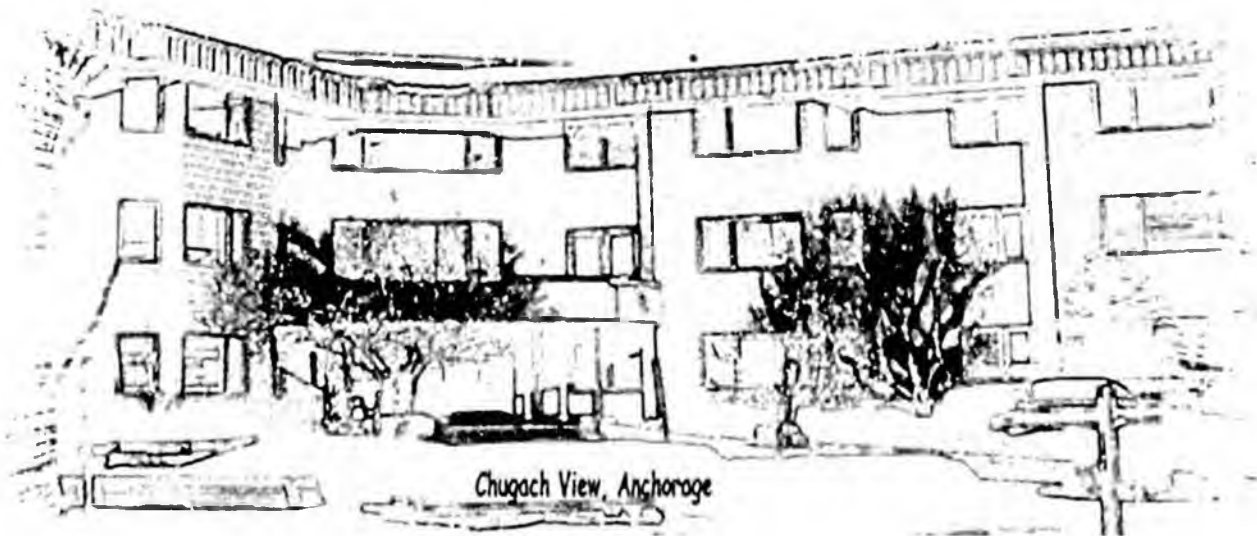
State of Alaska funding will enhance and expand programs that can strengthen the Alaska economy and improve needed Arctic transportation and communications infrastructure. The Institute is engaged in several programs to create "a connected Arctic" through new air routes, maritime shipping and telecommunications.

In fiscal year 2007, the State provided funding of \$75,000. As federal earmarks diminish, the Institute requests State support of \$150,000 for fiscal year 2008. This project provides partial funding of \$100,000.

# Alaska Housing Finance Corporation

## Budget Summary

*"Results-Oriented"*



FY2008

**\*\*\*Draft Capital Budget\*\*\***

@ April 18, 2007

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**Capital Budget**

FY2008

Project Synopsis

Project Narrative

6 Year Capital Budget Plan

Project Summary

FY2006 Capital Projects List

FY2005 Capital Projects List

FY2004 Capital Projects List

FY2003 Capital Projects List

FY2002 Capital Projects List

FY2001 Capital Projects List

FY2000 Capital Projects List

FY1999 Capital Projects List



**Capital Budget**

The Capital Budget is a plan for the distribution of AHFC's financial resources for items that have an anticipated life exceeding one year and the cost exceeds \$25,000. Unlike the Operating Budget which lapses at the end of one year, capital budget appropriations lapse only if funds remain after the project is completed and/or if funds are lapsed administratively or legislatively, usually after five years.

AHFC Capital Improvement Projects (CIP) reflect the needs of the Corporation and the pursuit of its mission through the Goals and Objectives of the Corporation's Strategic Plan. The Corporate departments have reviewed prior year's Capital budgets to determine if there are any unfinished projects/programs that are on going, need additional funds to be completed, or should be extended.

This Capital Budget was developed by AHFC staff and recommended for inclusion in the Governor's budget submission to the Legislature. Each project/program has been reviewed and prioritized by the Executive Office and presented to the Board of Directors for approval. The Board voted on a resolution November 2, 2005 to approve this budget and instructed the Executive Director to submit this budget to the Governor's Office of Management and Budget (OMB) through the Department of Revenue.

**FY2008 Capital Budget Project Request**

- Housing Loan Program/Teacher/Health Prof. Housing - \$6,800,000
- Supplemental Housing Development Program - \$6,000,000
- Low Income Weatherization Program - \$7,800,000
- Senior Citizens Housing Development Program - \$5,777,600
- HUD Federal HOME Program - \$4,125,000
- HUD Capital Fund Program (CFP) (formerly CGP) - \$3,500,000
- Federal and Other Competitive Grants - \$4,000,000
- Competitive Grants for Public Housing - \$1,000,000
- Energy Efficiency Monitoring Research - \$1,000,000
- State Energy Program (SEP) Special Projects - \$390,000
- Maintenance Workshop - \$500,000
- Statewide Project Improvements - \$2,000,000
- Facility Management Monitoring Project - \$250,000
- Denali Commission Projects - \$17,000,000
- Loussac Manor Renovation - Phase I - \$2,336,000
- Mat-Su prison Project - \$30,000,000

**Mental Health Bill**

- Homeless Assistance Program - \$1,500,000
- Beneficiary & Special Needs Housing - \$1,750,000
- Home & Community based Group Home Development - \$400,000
- Emergency Assistance Grants - \$200,000

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## Program Synopsis

1. **Housing Loan Program - Teacher/Health/Public Safety Housing – \$6,800,000 Corporate (AHFC) funds** to supplement the Corporation's popular housing programs. These funds will allow AHFC to continue current programs and expand business opportunities with new Teacher Housing program(s) and Health Professionals Housing Program(s). It will also provide funds to support a statewide housing conference.
2. **Supplemental Housing Development Program – \$6,000,000 Corporate (AHFC) funds** to supplement Federal (HUD) funds to construct decent, safe and sanitary housing through regional housing authorities established under AS 18.55.996. Funds are used to cover housing development costs related to water distribution, sewer hookups, electrical distribution systems, road construction to project site, site development, and energy efficiency improvements. State laws limit the use of these funds to 20% of the HUD's total development cost per unit. These funds are prohibited from being used for administrative or other costs of the housing authority.
3. **Low Income Weatherization Program – \$1,800,000 Federal U. S. Department of Energy (DOE) and \$6,000,000 Corporate (AHFC) funds** to assist low- and moderate-income families attain decent, safe and affordable housing through the weatherization and rehabilitation of existing homes. Weatherization provides for fire safety through furnace and electrical repairs, education, chimney and woodstove repairs, and egress windows (installed during bedroom window replacements).
4. **Senior Citizens Housing Development Program – \$5,777,600 Corporate (AHFC) funds** for the development of senior citizen housing. Competitively awarded grants are provided for the purchase of building sites, site preparation, materials, construction, and rehabilitation of existing housing. Organizations qualified to apply include municipalities and public or private nonprofit corporations. Additional components include smaller grants (up to \$25,000) for nonprofit senior organizations to pay for preparation of plans and project feasibility studies, appraisals, site preparation and other pre-development activities.
5. **HUD Federal HOME Program – \$3,375,000 Federal (HUD) and \$750,000 Corporate (AHFC) matching funds** for the HOME Investment Partnership Program. The purpose of the HOME program is to expand the supply of affordable, low- and moderate- income housing and to strengthen the State's ability to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has their own separate HOME program.
6. **HUD Capital Fund Program (CFP) (formerly CGP) – \$3,500,000 Federal (HUD) grant** that provides Public Housing Authorities with funds each year to help renovate and modernize public housing units. These funds provide for work items outside the FY2003 bond package such as: administrative expenses, tenant education projects, drug elimination/safety projects, and management improvements.
7. **Federal and Other Competitive Grants – \$3,000,000 Federal (HUD, USDA, DOE), or other private funds, and \$1,000,000 Corporate (AHFC) matching** for available housing grants. Nationwide, grants are made available annually by the federal government or private institutions or foundations that target the housing needs of low-income families, special needs groups, senior citizens, the mentally ill, disabled or the homeless, and others. In cases where grants require a match, AHFC funds will be used to the extent necessary. Grant funds received are often passed through to local nonprofit organizations, municipalities, and other organizations that deliver housing-related services.

8. **Competitive Grants for Public Housing – \$750,000 Federal (HUD), other private funds, and \$250,000 Corporate (AHFC) matching funds for available housing grants for public housing facilities and residents.** Annually, HUD makes available grants that target the needs of public housing facilities and residents in areas such as crime and substance abuse prevention, and economic self-sufficiency. When required, AHFC will provide the needed match. Some of the funds received will be passed through to local nonprofit organizations that deliver services.
9. **Energy Efficiency Monitoring Research – \$1,000,000 Corporate (AHFC) funds for a designated grant to Cold Climate Housing Research Center to conduct housing construction research, analysis, and information dissemination among the housing industry and the public.** Data gathering and analysis is being continually related to energy efficiency technology for homes constructed in northern building and market conditions.
10. **State Energy Program (SEP) Special Projects – \$360,000 Federal (DOE) and \$30,000 Corporate (AHFC) matching funds for State Energy Program (SEP) special projects such as building technologies; codes and standards; wind and power technologies; renewable energy for remote areas or transportation technologies.**
11. **Statewide Project Improvements – \$2,000,000 Corporate (AHFC) funds to provide repairs, deferred maintenance, and improvements to AHFC owned properties throughout the state.** This project will allow AHFC to keep pace with the deterioration of existing components of the rental properties such as roofs, sidewalks, and common areas. It will enhance operations, allow quick response to ordinance and code changes, and address compliance issues raised recently in HUD's accessibility audit.
12. **Facility Management Monitoring Project: Phase II – \$250,000 Corporate (AHFC) funds to Implement a tracking database that will provide easy access to the records regarding the histories of individual properties that will include: construction, maintenance, renovations, etc. of all rental units owned and operated by the Corporation.** It will reflect what work has been done, what work is planned for the unit, what work is in progress, what items are being replaced, and the related documents to those activities.
13. **Denali Commission Projects – \$10,000,000 Federal funds to administer the Commission's housing programs.** These funds will allow AHFC to administer current programs designated for rural areas of Alaska. The Denali Commission's goal is to provide decent, affordable housing for seniors and teachers in rural Alaska. Lack of housing has forced seniors to relocate to other communities where appropriate housing with necessary support is available. Lack of decent rural housing for teachers has been cited by school administrators as one of the factors that contribute to the inability to attract and maintain a stable teaching corps. The United States Congress has responded to this issue by setting aside funding through the Denali Commission for these purposes.
14. **Loussac Manor Renovation: Phase I – \$2,336,000 Corporate (AHFC) funds to begin the first phase of renovation which will include the replacement of the water and sewer infrastructure of the entire project.** Roads and sidewalks would be replaced only if disturbed. Subsequent funding requests would be to replace housing units; however, this request could be considered stand-alone because the site work would be completed as a single project.
15. **Mat-Su Prison Project – \$30,000,000 Mat-Su Borough Bonds for the construction of a State Prison facility.** AHFC has entered into an agreement with the Department of Corrections and the Mat-Su Borough to build a prison in the Matanuska-Susitna Valley. As part of the agreement with the Mat-Su Borough, AHFC will be required to pay for certain items that the Mat-Su Borough will then reimburse to AHFC. This will cover consultant contracts, AHFC salaries, associated advertising and other administrative equipment and support for the prison project.

**\*\*\*Mental Health Bill \*\*\***

1. **Homeless Assistance Program – \$1,000,000 Corporate (AHFC) and \$500,000 Mental Health Trust Authority funds to grant to local communities/agencies to help develop programs to prevent homelessness by providing assistance to families in imminent danger of becoming homeless, or those who are currently homeless. Corporate funds will be matched by Mental Health Trust Authority funds. Both funds will be combined and administered as one program by AHFC.**
2. **Beneficiary & Special Needs Housing – \$1,750,000 Corporate (AHFC) funds for a continuing program to serve populations with special housing needs. The program provides funds to Alaskan nonprofit service providers to increase housing opportunities for Mental Health Trust beneficiaries and other special needs populations throughout the state. The funds may be used for housing development and/or other housing related purposes.**
3. **DHSS – Treatment and Recovery Based Special Needs Housing – \$250,000 Corporate (AHFC) and \$150,000 Mental Health Trust Authority funds to provide housing modifications to persons experiencing a disability, allowing them to remain in their homes and reduce the potential cost of providing supported housing. The program also provides funding to develop special needs housing that cannot be funded under AHFC's program because of statutory limitations. This program will be administered by DHSS.**
4. **DHSS – Emergency Assistance Grants for Mental Health Trust Beneficiaries – \$200,000 Mental Health Trust Authority (MHTAAR) funds for grants to support beneficiaries of the Alaska Mental Health Trust Authority to prevent loss of housing that might occur do to unforeseen events such as institutionalization. It will allow beneficiaries to maintain homeownership or long term rental stability by providing gap or short term assistance. Assistance may be provided for any event like a structural or major appliance breakdown that may go beyond the financial reach of the homeowner, or life event that may threaten the ability of the beneficiary to make a mortgage or rent payment. Funding under this program is intended to supplement not supplant existing resources available for home modifications, weatherization or rehabilitation programs.**

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## 1. Housing Loan Program -Teacher/Health/Public Safety Housing

<b>Reference Number:</b>	<b>#37918</b>	
<b>Historical Category:</b>	<b>Housing / Social Services</b>	
<b>Location:</b>	<b>Statewide</b>	
<b>Election District:</b>	<b>Statewide</b>	
<b>Project Type:</b>	<b>Transitional</b>	
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>	
<b>FY2008 Request:</b>	<b>\$6,800,000</b>	<b>Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$</b>	<b>Corporate Receipts</b>

The purpose of this program is to provide gap funding to increase home ownership and/rental units throughout the state. This program is designed to help retain desirable professionals in high-cost areas. To date 38 units have been developed for teacher housing under this program.

**The projected outcomes are:**

- Increasing home ownership;
- Adding units for Teacher, Health Professionals , or Public Safety housing;
- Increasing affordability for housing purchases by low to moderate income families;
- Lowering interest rates on AHFC mortgage programs to attract loan volume and generate net income; and
- Participate in a statewide housing conference.

**Housing Loan Program/Teacher/Health/Public Safety Housing – Corporate (AHFC) funds to supplement the Corporation's popular housing programs through gap funding.** These funds will allow AHFC to continue current programs and expand business opportunities with programs such as the Teacher Housing Program(s), Health Professionals Housing Program(s), and Public Safety Housing Program(s).

**Funding History:**

FY2007	\$5,000,000	Corporate Receipts
FY2006	\$4,000,000	Corporate Receipts
FY2005	\$1,768,500	Corporate Receipts
	\$ 81,500	ASLC Bond Proceeds
	\$ 150,000	AHFC Bond Proceeds
FY2004	\$2,150,000	Corporate Receipts

**Program Description:**

The primary focus of this program has been to provide a source of grant funds that will help pay for the development of decent, safe, and affordable rental housing for teacher, health professionals, and public safety officials. This program has and will continue to generate additional loan volume for AHFC.

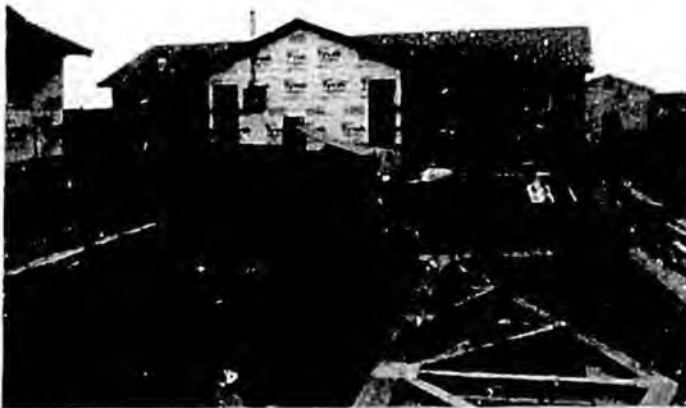
Attracting and maintaining a pool of qualified teachers, health professionals, and public safety professionals in rural Alaska is a goal of the State of Alaska. In order to achieve this, housing must be available, affordable, and of a quality that encourages these professionals to locate or stay in rural settings. These programs were developed to respond to the need for additional housing for professionals and their families by providing grants to fill the funding gap for various housing projects. Funding is made available through a competitive process for new construction, rehabilitation, acquisition of rental, or lease/purchase housing.

The corporation – based on loan demand, interest rate fluctuations, and market conditions – may change rate reductions and certain eligibility criteria.

The Corporation may contribute funds toward sponsoring a statewide housing conference to bring together all aspects of the housing industry. AHFC expects other entities and agencies to also contribute toward this event.

**FY 2004 Projects:**

**Savoonga**



**Savoonga Teacher Housing Project** – The Bering Strait School District will construct four (4) units of teacher rental housing on the southwest Alaska island of Savoonga. The project's total cost is approximately \$607,000. AHFC's Teacher Housing and Health Professional Grant Program provided \$440,000. The remaining \$167,000 cost of the project will be funded with a loan from the school district capital project fund. The project is expected to be ready for occupancy by January 2005.

**Kotzebue**



**Kotzebue Teacher Housing Project** - Northwest Arctic Borough School District will build 18 units of housing for ownership by teachers and health professionals in the community of Kotzebue. The project's total cost is \$6.2 million. AHFC's Teacher Housing and Health Professional Grant Program provided \$1.7 million to the project. AHFC single-family mortgage loans will be used to finance the remaining \$4.5 million cost of the project for each of the 18 units. The project is currently in the final stages of structure. Construction is expected to be completed by the end of February 2005.

<b>FY 2005 Projects:</b>	Lower Kuskokwim School District (Eek, Goodnews Bay, Kwillingmuk)	\$1,384,000
	Bering Strait School District (St. Michael)	\$592,670

## 2. Supplemental Housing Development Program

<b>Reference Number:</b>	<b>#6323</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Construction</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$6,000,000 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>

The purpose of the program is to supplement federal housing funds provided to Regional Housing Authorities to ensure safe, decent, affordable housing throughout Alaska.

**The projected outcomes are:**

- Construction of affordable homes in up to 20 urban and rural communities;
- On-site water and sewer facilities;
- Provide clients with new safe, energy efficient, comfortable housing;
- Roads to project sites;
- Electrical distribution systems; and
- Energy-efficient design features in homes.

**Supplemental Housing Development Program** --- Corporate (AHFC) funds to supplement Federal (HUD) funds to construct decent, safe and sanitary housing through regional housing authorities established under AS 18.55.096. Funds are used to cover housing development costs related to water distribution, sewer hookups, electrical distribution systems, and road construction to project site, site development, and energy efficiency improvements. State laws limit the use of these funds to 20% of the HUD's total development cost per unit. These funds are prohibited from being used for administrative or other costs of the housing authority.

**Funding History:**

FY2006	\$6,000,000	Corporate Receipts
FY2006	\$4,300,000	Corporate Receipts
FY2005	\$4,300,000	Corporate Receipts
FY2004	\$4,300,000	Corporate Receipts
FY2003	\$4,300,000	Corporate Receipts
FY2002	\$4,500,000	Corporate Receipts
FY2001	\$3,900,000	Corporate Receipts
FY2000	\$3,300,000	Corporate Receipts
FY1999	\$4,000,000	Corporate Receipts
FY1998	\$6,000,000	Corporate Receipts
FY1997	\$7,000,000	Corporate Receipts
FY1996	\$10,000,000	Corporate Receipts

**Program Description:**

AHFC is limited by State statute to contributing 20% of HUD's Total Development Cost (TDC) of a project. Funds are used for on-site water and sewer facilities, roads to project sites, electrical distribution systems, and energy-efficient design features in homes constructed by the regional housing authorities. HUD regulations prohibit the use of development funds for construction of access roads, electrical distribution systems, and certain other infrastructure costs.

Since its inception, the State has appropriated more than \$100 million to augment over \$500 million in HUD funds and \$50

million in Public Health Services funds to build a total over 9,000 houses in over 250 communities.

Supplemental Housing Grant program reinvests funds into communities by creating 700 local jobs statewide, creating nearly 100 training and apprenticeship opportunities in local labor pools, and through the purchase of supplies from local vendors.

Because HUD funds are restrictive in their use, AHFC supplemental funds can be used to pay for site development, water and sewer systems, electrical distribution and will be used to leverage HUD funds to stretch them further.

Alaskans living in more than 135 rural communities throughout the state have substandard and inadequate water and sewer facilities. This lack of basic facilities results in many rural Alaskans drinking untreated water from ponds, creeks, or rivers and having to use a bucket as a toilet or an outhouse as a bathroom facility. This often results in sewage pooling in close vicinity to homes, liquid wastes leaching into the water used for drinking, and exposing children to raw sewage in their play areas.

Alaska census data shows that the largest population growths have occurred in rural Alaska. According to the 2005 Alaska Housing Assessment Study, at least 25,771 new housing units are needed to meet population growth, relieve overcrowding, and replace substandard housing. Major repairs to substandard but salvageable housing are estimated to be 20,000 housing units. It is important to note that for every home built in the State, 600 jobs are affected, i.e. jobs are created for construction workers, teachers have more students to teach, and expanded schools become eligible for federal dollars. As the economy is strengthened in rural Alaska, urban businesses benefit through increased sales of material and goods, which can account for 40 percent of their annual profits.

### **Elim Project – Bering Straits Regional Housing Authority: FY98 Funding**



### 3. Low-Income Weatherization Program

<b>Reference Number:</b>	<b>#6332</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Renovation and Remodeling</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$1,800,000 Federal Receipts</b> <b>\$6,000,000 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Federal Receipts</b> <b>\$ Corporate Receipts</b>

The purpose of the program is to provide cost-effective energy improvements to homes of low-income families.

**The projected outcomes are:**

- Reduce household operating costs of the client;
- Improved resident health and safety;
- Improved durability and longevity of housing stock;
- Replacement of unsafe heating systems;
- Install smoke detectors in homes;
- Install carbon monoxide detectors in homes.

**Low Income Weatherization Program** --- Federal U. S. Department of Energy (DOE) and Corporate (AHFC) funds to assist low- and moderate-income families attain decent, safe, and affordable housing through the weatherization and rehabilitation of existing homes. Weatherization provides for fire safety through furnace and electrical repairs, education, chimney and woodstove repairs, and egress windows (installed during bedroom window replacements).

**Funding History:**

FY2007	\$1,800,000	Federal Receipts	FY2007	\$4,200,000	Corporate Receipts
FY2006	\$1,800,000	Federal Receipts	FY2006	\$3,000,000	Corporate Receipts
FY2005	\$1,837,500	Federal Receipts	FY2005	\$2,231,500	Corporate Receipts
FY2004	\$1,800,000	Federal Receipts	FY2004	\$3,000,000	Corporate Receipts
FY2003	\$1,800,000	Federal Receipts	FY2003	\$3,000,000	Corporate Receipts
FY2002	\$1,400,000	Federal Receipts	FY2002	\$3,000,000	Corporate Receipts
FY2001	\$1,400,000	Federal Receipts	FY2001	\$2,000,000	Corporate Receipts
FY2000	\$1,400,000	Federal Receipts	FY2000	\$1,000,000	Corporate Receipts
FY1999	\$4,200,000	Federal Receipts*	FY1999	\$1,000,000	Corporate Receipts
FY1998	\$1,200,000	Federal Receipts	FY1998	\$4,000,000	Corporate Receipts

\* *Stripper Funds*

**Program Description:**

The Low Income Weatherization Program utilizes US DOE and Corporate funds to assist low and moderate income families to attain decent, safe, efficient, and affordable housing through the weatherization and rehabilitation of existing homes. Much of the older housing stock cannot maintain a minimally comfortable indoor temperature. The Weatherization program annually serves approximately 560 households and approximately 1500 individuals. Program clients are mainly: elderly, disabled, and families with small children. Most of the families receiving services are the working poor and are not receiving Public Assistance. At the current funding levels, the program is unable to serve all of the high priority households

that are on extensive waiting lists.

Weatherization improves occupant health and safety through the replacement of unsafe heating systems and installation of carbon monoxide detectors. Carbon monoxide problems are resolved, fire safety threats alleviated, egress windows installed, handrails and steps repaired and moisture and mold problems abated. Client health improves as toxins and asthma triggers are removed and ventilation issues are addressed. Technology has developed concurrently with the program and provides the foundation for improved approaches to new construction for arctic conditions.

**Benefits of Weatherization:**

- Reduces overall fuel use / saves client's dollars;
- Helps keep people in their existing homes, reducing the need for public housing;
- Improves existing housing stock reducing the need for more public housing;
- Materials purchased from local Alaskan vendors;
- Contractors and crew are hired locally and receive training (wages spent locally);
- Savings from Fuel costs reinvested in local economy;
- Extensive client education on long term O&M required to maintain houses;
- Weatherization techniques improve building stock by addressing critical durability issues;
- Health and safety of residents dramatically improved in many cases due to mitigation of problems in the home, i.e. rot, mildew; and helps in eliminating ice dams; and
- Egress windows, smoke alarms, and CO detectors are installed to protect families from fire and carbon monoxide poisoning.

Our ability to properly diagnose and correct problems in existing housing stock through the weatherization program helps provide a safe, clean environment to clients improving the overall quality of life to pursue a better life for their families .

**Regional Funding Allocation**

Northern .....	10.55%
Western .....	10.57%
Southwestern .....	7.29%
Interior.....	6.59%
Fairbanks.....	14.40%
Southcentral (not Anchorage) .....	13.09%
Anchorage .....	26.47%
Southeast (not Juneau) .....	6.26%
Juneau City and Borough .....	4.78%

**Before**



**After**



In a national study conducted by the United States Department of Energy's Oak Ridge National Laboratory, the weatherization programs was proven effective in saving both costs and energy on a national and local level. In 1989 this study showed the weatherization program's annual average energy savings for all fuels was 18.2%. In the updated 1996 study improvements in the program had increased average energy savings to over 23%.

The study also surveyed the occupants of the weatherized dwellings to allow them report on draft reduction, comfort level, safety, and their own health based incidents of illness due to temperature and air quality within the home. On every rating scale, the occupants reported significant and positive change between the before and after periods, while the control group reported no change.

For every dollar invested, the weatherization program returns \$1.39 in energy related benefits. In overall benefits (including health and safety and other non-energy benefits), the weatherization program's cost effectiveness was found to return \$2.40 for every dollar invested in the program. Because of this, the Bush administration has been a strong supporter of the weatherization program.

#### ***Determining Savings and Diagnostics***

In 1996, Alaska weatherization crews began training for and using a computerized energy audit called AkWarm, which requires all conservation measures to have a savings to investment ratio of at least one. Extensive diagnostic procedures are also used to determine what measures will provide the greatest savings at the lowest possible costs. Heating systems are diagnosed and system efficiencies are increased an average of 5 to 10%. Blower doors are used to find and reduce air leakage which is one of the largest causes of heat loss in a building. Although no formal study has been funded for the weatherization program, reports from rural communities often place energy savings at 40 to 60 % per household.

#### ***Increased Cost of Doing Business/Rise in Fuel Costs***

This year, both the price of materials and freight has risen sharply in all areas of Alaska. In rural Alaska the cost to provide services are approximately 30% higher than last year (AVCP Housing Authority estimates this figure to be as high as 37%). At the same time, many of these remote communities report heating fuels to be between three to five dollars a gallon and rising. The Department of Health and Social Services is currently updating a survey of ten select communities (including both urban and rural) to determine the overall increase in fuel costs over the last year and are finding that the average increase is 30 percent.

#### ***Waiting List***

The active waiting list (priority clients approved for service with completed applications) numbers over four hundred in the urban and road connected areas of the state. In the Western and Northern areas alone there are over one thousand households in the villages that have yet to be served. There are also many communities not yet served in the Interior, Bristol Bay, and Southeast which have also been waitlisted for weatherization. With the over thirty percent rise in the cost of service, the number of homes that we can serve, and the measures that can be applied to those homes is becoming significantly reduced. According to the 2005 Alaska Housing Needs Assessment, there are approximately 33,000 low-income households in need of weatherization services.

#### ***Homelessness and Affordability***

Other benefits to Alaska include the fact that weatherization is helping many low income clients to stay in their homes, reducing homelessness, and providing affordable housing opportunities. Over 80% of weatherized units are owner occupied. The median cost of a home today in the Anchorage area is \$252,000 which is outside the reach of any low-income person. It is estimated that the average family pays approximately 3.5% of their income in energy related costs, while the low-income family spends 14%. With the cost of heating fuel continuing to skyrocket, the energy burden on low-income families will continue to threaten their ability to stay in these homes. The director of weatherization in the Fairbanks area estimated that weatherization has prevented at least 20 families from losing their homes each year. A heating system breakdown at -20 degrees F, occurring to a family living from paycheck to paycheck, has the potential impact to force that family to move out of the house. Weatherization is the only program available in Alaska that repairs and replaces heating systems for low income families. It is the last resort for many families.

***Health and Safety***

In addition, weatherization works hand in hand with local fire officials to reduce significant safety hazards. Carbon monoxide and smoke detectors are placed in houses where appropriate. Mold and moisture reduced or eliminated. Long term durability improvements are made, reducing the need for new housing units and saving current housing stock. The intensive client education that accompanies weatherization helps the client to more fully understand the operation and maintenance of their own home for years to come.

***Jobs and Skills***

Weatherization hires and trains locally in every community where work is being done. The advanced level of retrofit training that is given to each employee stays in these communities and often carries into other building projects ensuring overall energy efficiency in community buildings as well as other housing projects. The building sciences have been advanced significantly by the technology developed and used in the weatherization program, ensuring more efficient, durable, and safer buildings overall. Professional skills spread into the private sector improving new housing stock. *More than 140 Alaskans are employed in the program this year.*

***Individual and Community Benefits***

Weatherization works very well in Alaska and has proven community as well as individual benefits. For the individual, serious risks to health are reduced and eliminated including: carbon monoxide, mold, rot, frozen pipes, and heating system failure. Much needed household funds are diverted from making payments on critical heating fuel to food, medical, and other household needs. Almost all weatherization households contain a priority one client; 27% elderly, 36% disabled, and 39% with children under the age of six.

For the community, long term durability improvements on the housing stock are made, reducing the need for new housing units and providing affordable shelter to low income clients. Job creation provides important cash flow and skills development. Professional skills extend into the private sector improving new housing stock. Local suppliers provide materials for the program. The dollars stay in the state and in the communities where weatherization is being implemented.

## Weatherization 2004 Images from Around the State



**Ice Damming** can cause leaks that can damage a home's interior. Warm, moist interior air leaks into cold attic space, condenses into ice, which then leaks back into the home. Weatherization mitigates these problems. Advanced air-sealing, properly applied roofing, and attic insulation can correct these conditions.



**All homes are tested** for air-leakage, ventilation rates, pressure imbalances, and more. All combustion appliances (water heaters, heating systems, etc.) are tested for efficiency, whether they operated properly, and levels of carbon monoxide (CO). All homes receive CO and smoke detectors. Here a crew supervisor in Galena sets up the blower door to test a house.



**Mold problems** are alleviated and conditions that cause mold are eliminated. Weatherization helps to remove conditions that cause illness and disease particularly in children and seniors.



**Undesirable humidity** sources are addressed through weatherization. Ground clothes help control moisture and microbes that are released from crawl space soil into the home. By insulating and using ground vapor barriers, heat loss is reduced, moisture is controlled, and mold problems are eliminated. At right, the crawl space under the house gets a ground cloth



**Additional funding sources** complement weatherization funds and can provide additional benefits, such as access ramps for disabled seniors. One weatherization agency worked closely with World Changers this year to provide services that are more complex to eligible parties.



For more information, please contact Mimi Burbage, AHFC Weatherization Program, 4300 Boniface Pky Anchorage AK 99502, 800-478-2432 or [MBurbage@ahfc.state.ak.us](mailto:MBurbage@ahfc.state.ak.us)

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#### 4. Senior Citizen's Housing Development Fund (SCHDF)

<b>Reference Number:</b>	<b>#6334</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Transitional</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$5,777,600 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>

The purpose of the program is to provide funds for the development of senior citizen housing. This program has funded 680 units to date.

**The projected outcomes are:**

To fund six development projects or about 40 units, modifications for accessibility for 40 units, and 10 predevelopment grants for activities such as:

- Purchase of building sites;
- Site preparation;
- Purchase building materials;
- Construction;
- Rehabilitation, including accessibility modifications;
- Preparation of plans and specifications;
- Project feasibility studies;
- Appraisals; and
- Other pre-development activities.

**Senior Citizens Housing Development Program** --- Corporate (AHFC) funds to grant to municipalities and public or private non-profit corporations, in conjunction with other agencies, for the development of senior citizen housing. Funds can be used for: the purchase of building sites, site preparation, materials, construction, and rehabilitation of existing housing. Organizations qualified to apply include municipalities and public or private nonprofit corporations. Additional components include smaller grants (up to \$25,000) for nonprofit senior organizations to pay for preparation of plans and project feasibility studies, appraisals, site preparation and other pre-development activities.

**Funding History:**

FY2007	\$3,000,000	Corporate Receipts
FY2006	\$2,000,000	Corporate Receipts
FY2005	\$2,000,000	Corporate Receipts
FY2004	\$2,000,000	Corporate Receipts
FY2003	\$1,375,200	Corporate Receipts
FY2003	\$600,000	Capital Bond Receipts
FY2002	\$1,472,200	Corporate Receipts
FY2001	\$2,253,500	Corporate Receipts
FY2000	\$0	Program Not Funded; however:
FY2000	\$278,000	Talkeetna Senior Housing funded with Corporate Receipts
FY1999	\$2,050,000	Corporate Receipts
FY1998	\$0	Program Not Funded; however:
FY1998	\$248,000	Elders Services, Inc. funded with Corporate Receipts

FY1998	\$281,700	Homer Seniors funded with Corporate Receipts
FY1998	\$625,000	North Pole Seniors, Inc. funded with Corporate Receipts
FY1998	\$675,000	Palmer Seniors funded with Corporate Receipts
FY1997	\$1,750,000	Corporate Receipts
FY1996	\$750,000	Corporate Receipts

**Project Description:**

These funds are used to support the development of housing for the fastest growing segment of the Alaskan population, persons 60 years of age and older. A statewide needs assessment done in 1996 showed that there was a demand for an additional 1,000 units of senior housing. This number is projected to increase by an additional 3,300 by the year 2010. This program targets the housing needs of both low-income and middle-income seniors, as well as, assisting homeowners improve accessibility in their homes insuring safety and the ability to stay in their residence.

This request is based on the estimated demand for senior housing during the application cycle for the SCHDF program, home modification, and senior pre-development grants. Program funds are used only to fund the development "gap", i.e., the amount necessary to make the project financially feasible - or the difference between all other funding sources which can be expected to be contributed (including loan funds) and the cost to develop the project.

Any remaining unused funds will be made available under the next funding cycle. Requested funds are to be used to support senior housing with gap funds for acquisition, rehabilitation, accessibility modifications, and/or new construction of senior housing and pre-development grants.

Awards are made on a competitive basis contingent on Legislative approval.

**FY2005**

**Applications and Awards**

Location	Sponsor	Grant Amount	Total Development Costs	# Units	Grant Costs Per Unit
Galena	Louden Tribal Council	\$321,396	\$4,876,256	11	\$29,218
Willow	Willow Seniors	\$887,000	\$1,269,526	6	\$147,833
Nikiski	Nikiski Seniors	\$66,604	\$1,470,987	8	\$8,326
Statewide	Home Modifications - Senior ACCESS Program	\$600,000			
Statewide	Pre-development Grants	\$125,000			
<b>Total Senior Housing Development:</b>		<b>\$2,000,000</b>			

**FY2005 Pre-Development Requests:**

Aleutian Housing Authority	Sand Point/King Cove
Alpha Omega Life	Delta Junction
Fairbanks Retirement	Fairbanks
KPHH	Seward
Nimilchik Tribe	Nimilchik
Palmer Senior Citizens	Palmer
Soldotna Senior Citizens	Soldotna
STER	Anchorage

**5. HUD Federal HOME Grant Program**

<b>Reference Number:</b>	<b>#6347</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Renewal and Replacement</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$750,000 Corporate Receipts</b>
	<b>\$3,375,000 Federal Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>
	<b>\$ Federal Receipts</b>

The purpose of this program is to expand the supply of affordable, low- and moderate-income housing and to strengthen the ability of the State to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. This program has funded 44 rental projects containing 818 units, rehabilitated 373 low-income homes. It has assisted another 315 low-income households to purchase homes.

**The projected outcomes are:**

- Develop affordable rental housing by funding the development gap for 5 Rental Projects or about 25 units;
- Weatherize 50 homes;
- 25 Home Buyers assisted to achieve home ownership for lower-income families by providing down payment and closing cost assistance;
- Preserve low-income homes through a moderate rehabilitation;
- Assist Community and Housing Development (CHDO) with developing affordable housing by funding a portion of their operating costs; and
- Fund other housing needs as specified in the (HCD) plan and as authorized by HUD under 24 CFR Part 92.

HUD Federal HOME Program utilizes Federal (HUD) with Corporate matching (AIHC) funds for the HOME Investment Partnership Program. The purpose of the HOME program is to expand the supply of affordable, low- and moderate- income housing and to strengthen the State's ability to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has their own separate HOME program.

**Funding History:**

FY2007	\$3,375,000	Federal Receipts	FY2007	\$750,000	Corporate Receipts
FY2006	\$3,500,000	Federal Receipts	FY2006	\$750,000	Corporate Receipts
FY2005	\$3,175,000	Federal Receipts	FY2005	\$750,000	Corporate Receipts
FY2004	\$3,159,000	Federal Receipts	FY2004	\$750,000	Corporate Receipts
FY2003	\$3,159,000	Federal Receipts	FY2003	\$250,000	Corporate Receipts
FY2002	\$3,050,000	Federal Receipts	FY2002	\$250,000	Corporate Receipts
FY2001	\$3,053,000	Federal Receipts	FY2001	\$750,000	Corporate Receipts
FY2000	\$3,000,000	Federal Receipts	FY2000	\$750,000	Corporate Receipts
FY1999	\$3,000,000	Federal Receipts	FY1999	\$750,000	Corporate Receipts
FY1998	\$3,000,000	Federal Receipts	FY1998	\$750,000	Corporate Receipts
FY1997	\$3,000,000	Federal Receipts	FY1997	\$750,000	Corporate Receipts
FY1996	\$3,000,000	Federal Receipts	FY1996	\$750,000	Corporate Receipts

**Program Description:**

These funds are used to support the development of affordable housing for lower-income families. Funding is provided to fund:

- 1) The development gap for affordable rental housing projects, i.e. the difference between project cost and all other sources of funds which are expected to be contributed to the project, including any loan funds that the project's cash flow can support;
- 2) The cost of moderate rehabilitation to homes owned and occupied by lower-income families;
- 3) A portion of the costs associated with the purchase of a modest home by lower-income families;
- 4) A portion of the operating costs of Community Housing Development organizations that are developing affordable housing for lower-income families;
- 5) Other housing needs as specified in the HCD plan and as authorized by HUD under 24 CFR Part 92.

This request is based on the block grant amount to be received from HUD and the required 25% matching funds to be provided by AHFC, plus program income accumulated by the program to be used, as mandated by HUD, as additional federal HOME program funds.



*Cordova Mews, Cordova FY1996*



*Mooring Estates, Soldotna FY1996*



*Raven Estates, Fairbanks FY1995*

## 6. HUD Capital Fund Program

<b>Reference Number:</b>	<b>#6342</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Renewal and Replacement</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$3,500,000 Federal Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Federal Receipts</b>

The purpose of this program is to provide management improvements to the Public Housing program.

**The projected outcomes are:**

- Modernize public housing rental units;
- Training for staff;
- Training for residents;
- Drug Elimination Program improvements;
- Computer hardware & software upgrades.

**HUD Capital Fund Program (CFP) (formerly CGP)** Federal (HUD) grant that provides Public Housing Authorities with funds each year to help renovate and modernize public housing units. These funds provide for work items outside the FY2003 bond package such as: administrative expenses, tenant education projects, drug elimination/safety projects, and management improvements.

**Funding History:** Formerly funded under the Comprehensive Grant Program (CGP):

FY2007	\$1,248,200	Federal Receipts
FY2006	\$500,000	Federal Receipts
FY2005	\$500,000	Federal Receipts
FY2004	\$500,000	Federal Receipts
FY2003	\$500,000	Federal Receipts (also funded in 2003 -- \$14,251,000 AHFC Bond Proceeds)
FY2002	\$3,500,000	Federal Receipts
FY2001	\$3,500,000	Federal Receipts
FY2000	\$2,800,000	Federal Receipts
FY1999	\$2,900,000	Federal Receipts
FY1998	\$3,100,000	Federal Receipts
FY1997	\$3,521,600	Federal Receipts
FY1996	\$4,326,000	Federal Receipts

**Program Description:**

The federal government, through the U.S. Department of Housing and Urban Development (HUD), provides Public Housing Authorities (PHA) with money each year to help cover program operations, and management improvements through the Capital Fund Program.

Program operations and management improvements funded by this year's request include: resident self-sufficiency program, job and life skills training for the residents, service coordinator for senior residents, security training and services, Section 3 program training, and PHA staff training, which includes training for Maintenance, Housing Operations, and Construction.

Please note: other supportive services previously funded with Public Housing Drug Elimination Program (PHDEP) funds are being incorporated here. To improve communications, operations, and disaster recovery, funding will be provided for information systems and area-wide network upgrades at Low-rent developments.

## 7. Federal and Other Competitive Grants

<b>Reference Number:</b>	<b>#6348</b>	
<b>Historical Category:</b>	<b>Housing / Social Services</b>	
<b>Location:</b>	<b>Statewide</b>	
<b>Election District:</b>	<b>Statewide</b>	
<b>Project Type:</b>	<b>Health and Safety</b>	
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>	
<b>FY2008 Request:</b>	<b>\$1,000,000</b>	<b>Corporate Receipts</b>
	<b>\$3,000,000</b>	<b>Federal Receipts</b>
<b>FY2008 Funding:</b>	<b>\$</b>	<b>Corporate Receipts</b>
	<b>\$</b>	<b>Federal Receipts</b>

The purpose of this program is to allow AHFC to apply for HUD, other federal agency, and private foundation grants that target the housing needs and supportive services of low-income and special needs groups such as: senior citizens, the mentally, physically, or developmentally disabled, or the homeless. AHFC will also apply for energy related grants as they relate to housing. When required, AHFC will provide the needed matching funds. Some of the funds received will be passed through to local non-profit sub-grantee organizations that deliver housing and/or services.

The projected outcomes are to successfully compete and fund the matching portion of the following grant programs:

- HUD Supportive Housing;
- Housing Opportunities for Persons With AIDS (HOPWA);
- USDA Housing Preservation Grant Program;
- Grant Match Program; and
- HUD Technical Assistance Program.

Federal and Other Competitive Grants utilizes Federal (HUD) and Corporate match (AHFC) grant funds. AHFC will apply for grants that target the housing needs of low income and special needs groups such as: senior citizens, the mentally ill, disabled or the homeless. AHFC will also apply for energy related grants as they relate to housing. When required, AHFC will provide the needed matching funds. Some of the grant funds received will be passed through to local non-profit sub-grantee organizations that deliver housing and/or services.

AHFC will make application, as appropriate, to private institutions or foundations to study and/or address such issues as housing delivery systems, safe and viable neighborhoods, homelessness and aging in place. When required, AHFC will provide matching funds to non-federal grants that target the housing needs of low-income and special needs groups such as senior citizens, the mentally, physically, or developmentally disabled, or homeless.

### Funding History:

FY2007	\$3,000,000	Federal Receipts	
FY2007	\$1,250,000	Corporate Receipts	
FY2006	\$23,000,000	Federal Receipts	(Note: \$20,000,000 RPL, Denali Commission Projects)
FY2006	\$1,000,000	Corporate Receipts	
FY2005	\$3,000,000	Federal Receipts	
FY2005	\$1,000,000	Corporate Receipts	
FY2004	\$3,000,000	Federal Receipts	
FY2004	\$1,000,000	Corporate Receipts	
FY2003	\$3,000,000	Federal Receipts	
FY2003	\$1,250,000	Corporate Receipts	

FY2002	\$3,000,000	Federal Receipts
FY2002	\$500,000	Corporate Receipts
FY2001	\$1,500,000	Federal Receipts
FY2001	\$1,000,000	Corporate Receipts
FY2000	\$1,500,000	Federal Receipts
FY2000	\$750,000	Corporate Receipts
FY1999	\$3,000,000	Federal Receipts
FY1999	\$500,000	Corporate Receipts
FY1998	\$3,000,000	Federal Receipts
FY1998	\$500,000	Corporate Receipts
FY1997	\$3,000,000	Federal Receipts
FY1997	\$1,000,000	Corporate Receipts
FY1996	\$3,400,000	Federal Receipts
FY1996	\$2,100,000	Corporate Receipts

**Program Description:**

This program also allows AHFC to apply for and receive Federal, State and other grants that target the housing needs and supportive services of low-income and special needs groups such as mentally ill, homeless or disabled persons. Numerous federal and private foundations incorporate a matching cash contribution requirement in their competitive grant programs. The AHFC grant match program has been vital to attracting outside funding into Alaska to meet the housing needs of these special populations.

Most of the Federal funds received, as well as the Corporate match funds are customarily passed through to local non-profit or municipal sub-grantee agencies who deliver the housing and related supportive services. Examples of programs with match components include HUD Supportive Housing, Housing Opportunities for Persons With AIDS (HOPWA), and the USDA Housing Preservation Grant Program.

## 8. Competitive Grants for Public Housing

<b>Reference Number:</b>	#6350
<b>Historical Category:</b>	Housing / Social Services
<b>Location:</b>	Statewide
<b>Election District:</b>	Statewide
<b>Project Type:</b>	Health and Safety
<b>Estimated Project Dates:</b>	7/01/2007 – 6/30/2012
<b>FY2008 Request:</b>	\$250,000 Corporate Receipts \$750,000 Federal Receipts
<b>FY2008 Funding:</b>	\$ Corporate Receipts \$ Federal Receipts

The purpose of this program is to allow AHFC to apply for HUD, other federal agency, and private foundation grants that target the housing needs of low-income and special needs groups such as: senior citizens, the mentally ill, disabled, or the homeless who are eligible for public and/or assisted housing. AHFC will also apply for grants to prevent crime and substance abuse in public housing and assist public housing families attain economic self-sufficiency. When required, AHFC will provide the needed match.

### The projected outcomes are:

- Match Requirements for Federal Grants such as:
  - Drug Elimination Program;
  - FSS Coordinator and caseworkers;
  - Senior Services Coordinator; or
  - Resident Opportunities and Supportive Services (ROSS) grant.

Competitive Grants for Public Housing utilizes Federal (HUD) and Corporate match (AHFC) grant funds. AHFC will apply for HUD grants that target the housing needs of low-income and special needs groups such as: senior citizens, the mentally ill, disabled, or the homeless. AHFC will also apply for grants to prevent crime and substance abuse in public housing and assist public housing families in attaining economic self-sufficiency. When required, AHFC will provide the needed match. Some of the funds received will be passed through to local non-profit sub-grantee organizations that deliver housing and/or services.

### Funding History:

FY2007	\$750,000	Federal Receipts
FY2007	\$250,000	Corporate Receipts
FY2006	\$750,000	Federal Receipts
FY2006	\$250,000	Corporate Receipts
FY2005	\$750,000	Federal Receipts
FY2005	\$250,000	Corporate Receipts
FY2004	\$750,000	Federal Receipts
FY2004	\$250,000	Corporate Receipts
FY2003	\$750,000	Federal Receipts
FY2003	\$250,000	Corporate Receipts
FY2002	\$750,000	Federal Receipts
FY2002	\$250,000	Corporate Receipts
FY2001	\$750,000	Federal Receipts
FY2001	\$250,000	Corporate Receipts
FY2000	\$750,000	Federal Receipts
FY2000	\$250,000	Corporate Receipts

AHFC FY 2008 Budget

FY1999	\$750,000	Federal Receipts
FY1999	\$250,000	Corporate Receipts
FY1998	\$2,000,000	Federal Receipts
FY1998	\$250,000	Corporate Receipts

**Program Description:**

AHFC will apply for grants and utilize those grant funds to target services to families and persons who are eligible for public and/or assisted housing. Grant funds within this category may be used to prevent and reduce crime and substance abuse in public housing and to aid PHD-assisted families to attain economic self-sufficiency. This program also helps implement welfare reform efforts of the state. When required as a condition of funding, AHFC may provide the needed match. Examples of previous grantors include the Robert Wood Johnson Foundation, the Department of Education, U.S. Dept. of Housing and Urban Development and the U.S. Dept. of Health and Human Services.

This project also enables AHFC to receive additional housing assistance from HUD in the form of Section 8 vouchers. Some of the funds received may be passed through to local non-profits or government agencies to deliver the appropriate services throughout the state.

## 9. Energy Efficiency Monitoring Research

<b>Reference Number:</b>	<b>#6351</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Health and Safety</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$1,000,000 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>

The purpose of this project is to conduct research, analysis, information dissemination, and interchange among members of the industry, as well as, between the industry and the public.

**The projected outcomes are:**

- Conduct research, analysis, information dissemination and interchange among members of the industry, and between the industry and the public;
- Gather data and perform analysis of geographically diverse area energy efficient designs for homes; and
- Monitoring homes for energy usage, comfort levels, durability, occupant health, and economic benefits of efficiency features.

Energy Efficiency Monitoring Research utilizes Corporate (AHFC) funds for a designated grant to Cold Climate Housing Research Center to conduct housing construction research, analysis, and information dissemination among the housing industry and the public. Data gathering and analysis is being continually related to energy efficiency technology for homes constructed in northern building and market conditions.

**Funding History:**

FY2007	\$500,000	Corporate Receipts
FY2006	\$500,000	Corporate Receipts
FY2005	\$500,000	Corporate Receipts
FY2004	\$500,000	Corporate Receipts
FY2003	\$300,000	Corporate Receipts
FY2002	\$300,000	Corporate Receipts
FY2001	\$450,000	Corporate Receipts
FY2001	\$500,000	Federal Receipts
FY2000	\$0	Corporate Receipts – requested but not funded.

**Program Description:**

This program funds monitoring and testing of energy efficiency designs, products, and construction technology testing in areas where little is being done in the Alaskan arena. Considering the diverse building conditions and requirements across the state, the homebuilding industry has indicated they would like to see research and testing of energy efficiency designs in different regions in the state.

AHFC is required by state law to purchase homes that meet minimum energy efficiency standards. The corporation has established and funded incentive programs for increased energy efficiency in homes. Currently, corporate arbitrage dollars are used to offer reduced interest rates on homes that meet or exceed energy rating criteria. Yet, little information is currently available about the cost benefits to the homeowner over time from these programs or how effective certain energy efficiency designs have been across Alaska's climate regions.

Funds requested here would be to conduct research, analysis, and information dissemination and interchange among members of the industry, as well as, between the industry and the public.

The following will be provided through the Cold Climate Housing Research Center: Data gathering, as well as, analysis of energy efficient designs for homes. Alaska has a wide range of climates and temperatures, with everything from coastal rain forests to arctic tundra. Energy efficiency designs and technologies for homes need to address conditions in each of these regions across the state.

Homes with different energy efficiency designs would be monitored for energy usage, comfort levels, durability, occupant health, and economic benefit of efficiency features. Different regions of Alaska would be monitored along with different energy efficiency designs.

Activities should have a high level of effectiveness and success based on three reasons:

1. **Programs and projects will be results oriented.** Home building is a practical activity. Monitoring research and analysis should seek workable answers to real problems of home building and to real ways to improve homes across Alaska. Future trends and developing technologies need to be considered, with an emphasis on the impact that such trends and technologies will have on the way the homes are actually built.
2. **Contact with the real world of home building needs to exist by having some ties to the state home building industry.** In addition to a statewide association, local home building associations exist in Anchorage, the Kenai Peninsula, Ketchikan, Juneau, Interior Alaska, Mat-Su, and Kodiak. These associations could provide a grassroots network of cooperating builders. When research is launched, builders would be expected to provide direction on specific questions, technologies, designs, and to cooperate in studies and field tests.
3. **Research & analysis flow directly into the building industry and the public.** Monitoring results would be expected to help link the research and product development communities with the practitioners who put methods into practice and products into use. The involvement of the building industry is intended to increase builder's confidence in the findings. All results and analysis would be publicized and disseminated throughout the housing industry, creating a favorable climate for the adoption of desirable changes.

## 10. State Energy Program (SEP) Special Projects

<b>Reference Number:</b>	<b>#32526</b>	
<b>Historical Category:</b>	<b>Housing / Social Services</b>	
<b>Location:</b>	<b>Statewide</b>	
<b>Election District:</b>	<b>Statewide</b>	
<b>Project Type:</b>	<b>Health and Safety</b>	
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>	
<b>FY2008 Request:</b>	<b>\$30,000</b>	<b>Corporate Receipts</b>
	<b>\$360,000</b>	<b>Federal Receipts</b>
<b>FY2008 Funding:</b>	<b>\$</b>	<b>Corporate Receipts</b>
	<b>\$</b>	<b>Federal Receipts</b>

The purpose of this program is to allow the State to participate in special project grants offered by the Federal Department of Energy to promote energy related technologies and research.

The projected outcomes are advancements in:

- Building technologies;
- Codes and Standards;
- Wind and Power technologies;
- Renewable energy for remote areas; and/or
- Transportation technologies.

State Energy Program (SEP) Special Projects utilizes Federal (DOE) and Corporate match funds for State Energy Program (SEP) special projects such as: building technologies, Codes and Standards, Wind and Power technologies, renewable energy for remote areas, or transportation technologies.

**Funding History:**

FY2007	\$300,000	Federal Receipts
FY2007	\$30,000	Corporate Receipts
FY2006	\$300,000	Federal Receipts
FY2006	\$30,000	Corporate Receipts
FY2005	\$483,000	Federal Receipts
FY2005	\$50,000	Corporate Receipts
FY2004	\$423,500	Federal Receipts
FY2004	\$50,000	Corporate Receipts
FY2003	\$150,000	Federal Receipts
FY2003	\$30,000	Corporate Receipts
FY2002	\$150,000	Federal Receipts
FY2002	\$30,000	Corporate Receipts
FY2001	\$150,000	Federal Receipts
FY2001	\$30,000	Corporate Receipts

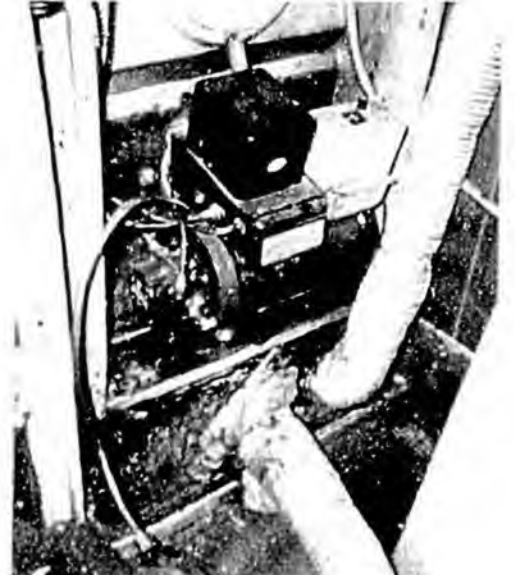
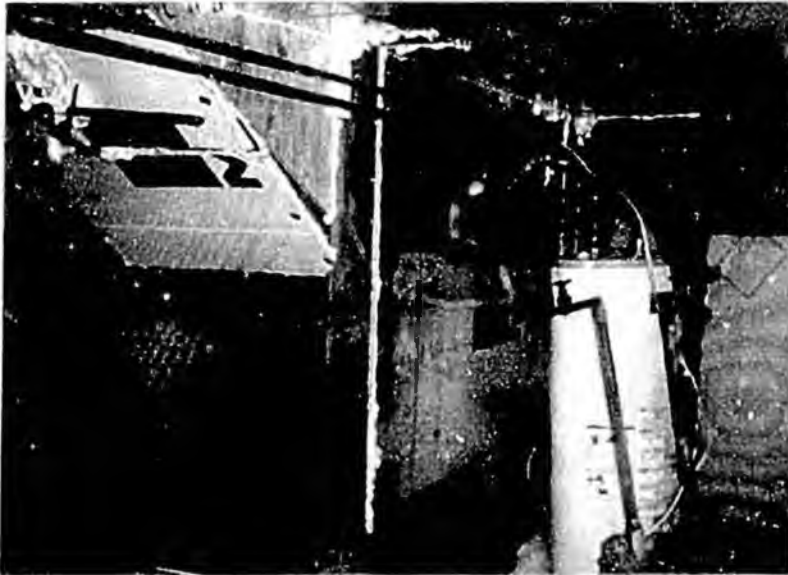
Prior funding for this program has been included in past operating budgets under Revised Program (RPL) process.

**Program Description:**

The Department of Energy provides competitive grants to State Energy Programs for specific activities including: building technologies, Codes and Standards, Wind and Power technologies, renewable energy for remote areas, or transportation technologies. DOE solicitations for these special projects occur typically in January or February. Awards are made in June. AHFC has been successful in obtaining special projects awards for wind monitoring, codes and standards, and seafood

processing audit program. Approximately \$14 million dollars are made available annually for these types of grants to all states on a competitive basis.

This program will help promote the conservation of energy and reduce the rate of growth of energy demand. The program will also help reduce dependence on imported oil through the development and implementation of a comprehensive State Energy Program (SEP) and the provision of Federal financial and technical assistance to states in support of such programs. The program is funded through the Department of Energy (DOE), and requires a 20-50% state match, most of which is provided through the agencies receiving funding from AHFC. Funds will be used by AHFC to promote education for consumers, Realtors, Builders, and other housing professionals in the energy efficient arena.



## 11. Statewide Project Improvements

<b>Reference Number:</b>	<b># 40068</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Statewide</b>
<b>Election District:</b>	<b>Statewide</b>
<b>Project Type:</b>	<b>Renewal and Replacement</b>
<b>Estimated Project Dates:</b>	<b>7/01/2006 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$5,000,000 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>

The purpose of this project is to provide funding to address known and unknown conditions in AHFC's housing stock.

The projected outcomes are advancements in:

- Providing structures and amenities not programmed;
- Enhancing operations;
- Providing funding for emergency repairs, i.e. roof replacements, fire alarm systems, etc.;
- Allowing quick response to ordinance and code changes; and
- Allowing quick response to unforeseen conditions, i.e. rot, Amtrol tanks, etc.

Statewide Project Improvements utilizes Corporate (AHFC) funds to provide repairs, deferred maintenance, and improvements to AHFC-owned properties throughout the state. This project will allow AHFC to keep pace with the deterioration of existing components of the rental properties such as roofs, sidewalks, and common areas. It will enhance operations, and will allow quick response to ordinance and code changes, and provide for quick response to unforeseen conditions.

### Funding History:

FY2006    \$150,000    Corporate Receipts

### Program Description:

Statewide Improvements is an ongoing request for AHFC to provide necessary upgrades to AHFC-owned rental units. AHFC had mandated through a 10-year plan, that all of its deferred maintenance be addressed either through major renovation or demolition and replacement. While not all units needed renovation or replacement, there are areas where funding is needed to address improvements to a project. There is a need to replace siding and roofs before they fail. Amenities such as carports, decks, patios and fences rot and need replacement to avoid safety hazards. Storage sheds deteriorate and need replacement. Generators, lawn sprinkler systems, and heated sidewalks are needed improvements. All of these items enhance the aesthetics of the development, make the area safer, or provide additional resident comfort.

In addition, the routine maintenance funding received from the federal government is not keeping pace with the deterioration of existing items. It is important that AHFC have the funding to maintain the units in a viable condition and avoid future deferred maintenance.

AHFC has a variety of projects each year that could use an injection of funding to enhance its current conditions. Such an item is the need to renovate the Family Investment Centers in Bethel and Nome where the estimated cost of construction alone is estimated at over \$800,000. Approximately \$4 million is needed to replace siding and windows at a 120-unit elderly facility.

The expected outcome of this funding is to continue to enhance projects by updating generators, install heated sidewalks at our senior facilities where ice and snow is a problem, provide storage sheds for families to store recreational gear outside

instead of their living rooms, replace old siding for leaks and energy efficiency, or provide lawn sprinkler systems to reduce the costs of maintenance for larger common areas instead of addressing routine maintenance items within the structures.

Without a constant source of funding to address failing systems or aging materials, the buildings will lapse into a deferred maintenance state again.

## 12. Facility Management Monitoring Project

<b>Reference Number:</b>	# 41532
<b>Historical Category:</b>	Housing / Social Services
<b>Location:</b>	Statewide
<b>Election District:</b>	Statewide
<b>Project Type:</b>	Planning
<b>Estimated Project Dates:</b>	7/01/2007 – 6/30/2012
<b>FY2008 Request:</b>	\$250,000 Corporate Receipts
<b>FY2008 Funding:</b>	\$ Corporate Receipts

The purpose of this project is to develop a database that will help identify future building and renovation needs as well as coordinate major maintenance and renovation projects. It will provide management with information needed to assess efficiencies of maintenance operations and set renovation priorities.

**The projected outcomes are to:**

- Establish a list of accessibility features available in Public Housing statewide.
- Document maintenance needs for statewide facilities.
- Establish database for maintaining functioning fire protection systems and keep them code compliant.
- Staff and AHFC board would have access to current information about a project, including location and photos.
- Potential tenants would be able to view units on-line thereby reducing site visits by staff & expediting rent ups.
- Would provide database for all historical information on a building or site.
- Would allow tracking of work in progress; planned maintenance, and allow for future planning and budgeting.
- Track warranty information for various components.
- Would allow staff and contractors to view floor plans and mechanical systems on-line.

Facilities Management Monitoring Project utilizes Corporate (AHFC) funds to develop a tracking database that will provide easy access to the records regarding the histories of individual properties that will include: construction, maintenance, renovations, etc., of all rental units owned and operated by the Corporation. It will reflect what work has been done, what work is planned for the unit, what work is in progress, what items are being replaced, and the related documents to those activities.

**Funding History:**

FY2007 \$250,000 Corporate Receipts

**Program Description:**

This is the second phase of the Facilities Management project. Last year's funding provided the means to begin the data collection to establish and maintain a statewide database. This request is to purchase the MITAS module or a like software package, provide for customization and allow for employee training. Collected data will be incorporated into the module and available for agency wide use.

The database and software module will allow for a comprehensive long-term facilities management plan, greatly enhance the preparation and accuracy of the yearly and long-term budget forecasts and improve the agency's ability to cost effectively manage it's diverse and widespread properties.

It will also reflect what work is in progress, what work is planned for an area, and the contact person for that work. For

maintenance, it will show what items are being replaced at properties and what should be scheduled for renovation work. It will allow management to prepare the next 10-year plan and to know all statistics about the housing which is used for HUD reporting and tracking. It will allow AHFC to track all information on its systems to budget for replacement, such as roofing, appliances, painting, etc. It will allow users to view floor plans for each facility, along with photos of the units and exterior layout. It will ensure compliance with state and municipal ordinances.

The database will help identify future building and renovation needs and coordinate major maintenance and renovation projects. It would provide management with information needed to assess efficiency of maintenance operation and set renovation priorities.

### 13. Denali Commission Projects

<b>Reference Number:</b>	# 41531	
<b>Historical Category:</b>	Housing / Social Services	
<b>Location:</b>	Statewide	
<b>Election District:</b>	99	
<b>Project Type:</b>	Health and Safety	
<b>Estimated Project Dates:</b>	7/01/2007 – 6/30/2012	
<b>FY2008 Request:</b>	\$10,000,000	Federal Receipts
<b>FY2008 Funding:</b>	\$	Federal Receipts

The purpose of this project is to administer the Denali Commission's housing programs primarily to rural Alaska.

**The projected outcomes are to:**

- Increase the production of additional housing for Teachers in rural Alaska by 18 units; and
- Increase the production of additional housing for rural Elders in Alaska by 20 units.

The Denali Commission Projects utilize Federal funds to administer the Commission's housing programs. These funds will allow AHFC to administer current programs designated for rural areas of Alaska. The Denali Commission's goal is to provide decent, affordable housing for seniors and teachers in rural Alaska. Lack of housing has forced seniors to relocate to other communities where appropriate housing with necessary support is available. Lack of decent rural housing for teachers has been cited by school administrators as one of the factors that contribute to the inability to attract and maintain a stable teaching corps. The United States Congress has responded to this issue by setting aside funding through the Denali Commission for these purposes.

**Funding History:**

FY2007 \$17,000,000 Federal Receipts

Note: FY2006 was funded with Federal Receipts through a Revised Program Legislation (RPL) in the Federal and Competitive Grants program for \$17,000,000.

**Program Description:**

Attracting and maintaining a pool of qualified teachers in rural Alaska is a goal of the State of Alaska. In order to achieve this, housing for teachers must be available, affordable and of a quality that encourages these professionals to locate in rural settings. These funds will be also used to support the development of housing for the fastest growing segment of the Alaskan population, persons 55 years of age and older. A statewide needs assessment done in 1996 showed that there was demand for an additional 1,000 units of senior housing. This number is projected to increase by an additional 3,300 by the year 2010.

**Elder Supportive Housing Program** – Projects will be part of a statewide strategy for elder supportive housing needs. In the spring of 2006, the Alaska Senior Housing Needs Assessment will be completed under this program. Funds will be allocated on a competitive basis. Many elders require medical attention that necessitates them to either live in hub communities so they can be close to hospitals, or to travel out of their home regions to larger, unfamiliar cities. The housing projects planned under this program will allow elders to remain in their home communities and home regions as long as possible by greatly enhancing elder access to necessary medical treatment, monitoring and supervised follow-up. To date, thirty-three (33) elder housing units and two (2) elder facility renovation/upgrades have been accomplished.

**Teacher Housing Program** – In accordance with the 2005 Denali Commission Teacher Housing Strategy, AHFC will partner with the Denali Commission to provide newly constructed teacher housing units and repair existing housing stock for teacher housing. The Commission's Teacher Housing strategy places an emphasis on:

- A repair/renovation option to improve existing teacher housing stock; (50% Cost Share)
- A priority for new construction in communities prioritized by level of need: (Cost share determined by AHFC underwriting process).

Since 2004, the Denali Commission Teacher Housing Program has funded the development of 77 rental units of housing in 24 rural Alaska communities.

**14. Loussac Manor Renovation – Phase I**

<b>Reference Number:</b>	<b>#43076</b>
<b>Historical Category:</b>	<b>Housing / Social Services</b>
<b>Location:</b>	<b>Anchorage Downtown/Rogers Park</b>
<b>Election District:</b>	<b>23</b>
<b>Project Type:</b>	<b>Renewal and Replacement</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>
<b>FY2008 Request:</b>	<b>\$2,336,000 Corporate Receipts</b>
<b>FY2008 Funding:</b>	<b>\$ Corporate Receipts</b>

The purpose of this project is to provide to begin the first phase of renovation which will include the replacement of the water and sewer infrastructure of the entire project.

**The projected outcomes are to:**

- Replace old housing stock that has exceeded its useful life span;
- Reduce operating and maintenance costs;
- Reduce energy expenditures through increased energy efficiency;
- Improve Tenant comfort and safety;
- Reduce liability associated with life safety issues;
- Increase rentability of units; and
- Protect existing structures.

Loussac Manor Renovation – Phase I – utilizes Corporate (AHFC) funds to begin the first phase of renovation which will include the replacement of the water and sewer infrastructure of the entire project. Roads and sidewalks would be replaced only if disturbed. Subsequent funding requests would be to replace housing units; however, this request could be considered stand-alone because the site work would be completed as a single project.

**Funding History:**

This is a new project.

**Program Description:**

Loussac Manor Housing complex is located between A and C Streets in Anchorage Alaska. The complex was constructed in 1965 and consists of 21 multiplex buildings, a child care center, a community building and a maintenance shop that was constructed in 1999. Residential buildings consist of 1-5 units and range from 2 to 5 bedrooms.

A professional site assessment conducted by USKH in 2001 identified several areas of concern within the building systems and structure. These areas need to be addressed prior to major system and/or structural failure. This site assessment did not look at the utility infrastructure of the site.

A Municipality of Anchorage water main break in the winter of 2005 also revealed serious and probable damage to the utility lines serving the buildings based on age. Of immediate concern is the deterioration of the sewer lines. Repairs to the building required due to the flood damage also revealed the building structure may be in worse condition than previously indicated.

This request is for the first of four phases to address these concerns and will replace the utility infrastructure and renovate buildings on a case by case basis. AHFC is currently updating the site assessment through a contract with Dean Design. Phase I will focus on replacement of the utility infrastructure and design of the follow-on phases based on the updated site

assessment by Dean Design. Follow -on phases will focus on building renovation or replacement as identified by the updated site assessment.

Failure to address the utility infrastructure in the near future can result in loss of service to the entire site and cause costly relocation and site clean-up.

## 15. Mat-Su Prison Project

<b>Reference Number:</b>	<b># 43079</b>
<b>Historical Category:</b>	<b>Public Protection</b>
<b>Location:</b>	<b>Mat-Su Area-wide</b>
<b>Election District:</b>	<b>Mat-Su Area-wide</b>
<b>Project Type:</b>	<b>Construction</b>
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>

<b>FY2008 Request:</b>	<b>\$30,000,000</b>	<b>Statutory Designated Program Receipts</b>
<b>FY2008 Funding:</b>	<b>\$</b>	<b>Statutory Designated Program Receipts</b>

The purpose of this project is to provide oversight and construction coordination for the new Mat-Su correctional facility.

The projected outcome is to:

- Coordinate Construction of a 2,251 Bed correctional facility.

**Mat-Su Prison Project** utilizes Mat-Su Borough Bonds for the construction of a State Prison facility. AHFC has entered into an agreement with the Department of Corrections and the Mat-Su Borough to build a prison in the Matanuska-Susitna Valley. As part of the agreement with the Mat-Su Borough, AHFC will be required to pay for certain items that the Mat-Su Borough will then reimburse to AHFC. This will cover consultant contracts, AHFC salaries, associated advertising and other administrative equipment and support for the prison project.

### Funding History:

FY2007	\$500,000	Statutory Designated Program Receipts	RPI. #: ADN 04-7-1031
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### Program Description:

AHFC has entered into an agreement with the Department of Corrections and the Matanuska-Susitna Borough to construct a 2251 bed medium security prison within the Matanuska-Susitna Borough. AHFC will act as the Construction Project Manager on behalf of the Borough. The Memorandum of Understanding for this project has provisions for AHFC to be reimbursed for expenditures by the Borough. This request provides authority for AHFC to expend up to \$30 million of Statutory Designated Program Receipts (SDPR) for payments to contractors, administrative expense, labor and all other associated costs. The total cost of the project is expected to be \$330 million, with majority of the cost directly paid by the Mat-Su Borough.

AHFC's roll in this project began when AHFC was asked by the Governor to assist with the construction of a 2,251 bed correctional facility in the Mat-Su Borough authorized by HCS CSSB 65(FIN) effective date July 23, 2004.

This project is being administered by AHFC at the Governor's request and utilizes AHFC's expertise in providing project management for planning, procurement, design, and construction.

A percentage of four Anchorage full-time positions will be covered by this funding. All positions currently exist and include the Construction Director, Projects Coordinator, Management Specialist I and Administrative Assistant III.

All expenditures by AHFC are to be reimbursed by the Mat-Su borough under a Memorandum of Understanding between AHFC, the Mat-Su Borough and the Department of Corrections dated August 3, 2006. Funds to reimburse AHFC are available from a Mat-Su Borough prepaid expense account approved as a fiscal note by the Borough Assembly under Resolution No. 06-087 to reimburse AHFC for all expenditures. The Mat-Su Borough will issue a revenue bond to cover construction stage expenses.

AHFC is working with a planning consultant to prepare a Request for Qualifications to solicit design/build contractors to provide proposals to design and construct the facility, and to prepare a final design/build RFP to select a design/build contractor. The design/build contract for construction of the facility will be prepared by professional consultants.

If this request is denied, AHFC may not be able to continue with the planning and design/build construction activities in a reasonable time. Escalation costs of construction that exceed the CPI index established by SB65 to determine the maximum escalation allowance for this project are eroding the limits placed on the maximum price per bed allowable for construction of the correctional facility under SB65. Delays may result in the loss of construction seasons and the ability to construct the project under the limitations of SB65. The time delay and escalation costs of construction will render this project to be no longer feasible due to constraints in SB65 that restrict the cost per bed.

## 1. Homeless Assistance Program Mental Health Bill

<b>Reference Number:</b>	<b>#6359</b>	
<b>Historical Category:</b>	<b>Housing / Social Services</b>	
<b>Location:</b>	<b>Statewide</b>	
<b>Election District:</b>	<b>Statewide</b>	
<b>Project Type:</b>	<b>Transitional</b>	
<b>Estimated Project Dates:</b>	<b>7/01/2007 – 6/30/2012</b>	
<b>FY2008 Request:</b>	<b>\$1,000,000</b>	<b>Corporate Receipts</b>
	<b>\$500,000</b>	<b>Mental Health Trust Fund Receipts</b>
<b>FY2008 Funding:</b>	<b>\$</b>	<b>Corporate Receipts</b>
	<b>\$</b>	<b>Mental Health Trust Fund Receipts</b>

The purpose of this program is to support programs that address homelessness by providing assistance to families in imminent danger of becoming homeless, or those who are currently homeless.

**The projected outcomes are to:**

- Prevent near homeless individuals and families from becoming homeless; and/or
- Provide homeless individuals and families assistance to obtain safe, sanitary shelter.

Homeless Assistance Program utilizes Corporate (AHFC) funds for grants to local communities/agencies to help develop programs to prevent homelessness by providing assistance to families in imminent danger of becoming homeless or those who are currently homeless. Corporate funds will be matched by Mental Health Trust Authority funds. Both funds will be combined and administered as one program by AHFC.

**Funding History:**

FY2007	\$500,000	State Mental Health General Funds
FY2007	\$500,000	Mental Health Trust Fund Receipts
FY2007	\$1,000,000	Corporate Receipts
FY2006	\$500,000	State Mental Health General Funds
FY2006	\$500,000	Mental Health Trust Fund Receipts
FY2005	\$250,000	State Mental Health General Funds
FY2005	\$500,000	Mental Health Trust Fund Receipts
FY2004	\$250,000	Corporate Receipts
FY2004	\$500,000	Mental Health Trust Fund Receipts
FY2003	\$250,000	Corporate Receipts
FY2003	\$500,000	Mental Health Trust Fund Receipts
FY2002	\$250,000	Corporate Receipts
FY2002	\$200,000	Mental Health Trust Fund Receipts
FY2001	\$250,000	Corporate Receipts
FY2001	\$200,000	Mental Health Trust Fund Receipts
FY2000	\$250,000	Corporate Receipts
FY2000	\$200,000	Mental Health Trust Fund Receipts
FY1999	\$250,000	Corporate Receipts
FY1998	\$250,000	Corporate Receipts
FY1997	\$250,000	Corporate Receipts
FY1996	\$250,000	Corporate Receipts (funded under the former Emergency Housing Assistance Program)

**Program Description:**

Established in 1993, this program enables hundreds of homeless and/or near homeless families to obtain or retain safe and sanitary shelter each year. Demand for this program has steadily increased as federal and municipal sources have diminished.

The Homeless Assistance Program (HAP) provides grants to assist non-profit organizations, local governments, and regional housing authorities in addressing the emergency needs of homeless and near-homeless Alaskans. During the previous two competitive rounds, the total amount of HAP grant requests received by AHFC has averaged \$1.5 million annually. This program has become increasingly important as funds for grants such as homeless assistance from Municipal grants and federal Emergency Assistance continues to shrink.

Recent grantees in Fairbanks, Homer, Kodiak, Wasilla, Juneau, and Unalaska have utilized HAP funds to expand shelter facilities, develop supportive transitional housing, and provide case management and rental assistance services.

AHFC is requesting authorization for expenditure of Corporate Receipts which will be matched by funds from the Alaska Mental Health Trust Authority (AMHTA). Both funds will be combined and administered as one program by AHFC.

**FY2006**

<u>Applicant</u>	<u>Community</u>	<u>Rank</u>	<u>Amount Requested</u>	<u>Proposed Funding</u>
Salvation Army – Mckinnell Shelter	Anchorage	1	\$191,823	\$191,823
Anchor Arms-Safe Harbor Inn	Anchorage	2	\$84,000	\$84,000
Tundra Women’s Coalition	Bethel	3	\$60,500	\$60,500
Unalaskans S.A.F.V.	Aleutians	4	\$46,000	\$46,000
CSS – Clare House	Anchorage	5	\$124,900	\$124,900
Covenant House-Crisis Center	Anchorage	6	\$186,946	\$186,946
CSS – Brother Francis Shelter	Kodiak	7	\$113,772	\$113,772
Lee Shore Center	Kenai	8	\$36,519	\$36,515
Covenant House – Passage House	Anchorage	9	\$76,080	\$76,080
LOVE, INC	Mat-Su	10	\$77,000	\$77,000
Share the Spirit	Homer	11	\$48,000	\$48,000
Salvation Army – Beacheomers	Kodiak	12	\$33,600	\$33,600
Salvation Army	Fairbanks	13	\$50,677	\$50,675
CSS – Government Hill Transitional	Anchorage	14	\$18,000	\$18,000
Salvation Army Eagle Crest	Anchorage	15	\$36,095	\$36,095
Sitka Prevention & Counseling	Sitka	16	\$258,155	\$258,155

**Total Qualified Applicant Requests. \$1,448,035**

Available for lower ranking applications.....	\$477,970
<b>Total HAP Budget Request .....</b>	<b>\$2,000,000</b>

<b>Applicant</b>	<b>Services Provided</b>
Salvation Army-Mckinnell Shelter.....	For shelter operations and case management services
Anchor Arms- Safe harbor Inn .....	For operations support of transitional housing
Tundra Women’s Coalition.....	For shelter operations and housing placement services
Unalaskans S.A.F.V. ....	For shelter operations and housing placement services
CSS – Clare House.....	For shelter operations and housing placement services
Covenant House – Crisis Center.....	For shelter operations
CSS – Brother Francis Shelter - Kodiak.....	For homeless prevention and housing placement services
CSS – Brother Francis Shelter - Anchorage.....	For homeless prevention and housing placement services
Lee Shore Center .....	For shelter upgrades and supportive services
Covenant House – Passage House .....	For operating support and housing placement services
LOVE, INC.....	For homeless prevention and housing placement services
Share the Spirit.....	For homeless prevention and emergency housing
Salvation Army – Beacheomers .....	For transitional housing and operating support

## 2. Beneficiary and Special Needs Housing Mental Health Bill

Reference Number:	#6360
Historical Category:	Housing / Social Services
Location:	Statewide
Election District:	Statewide
Project Type:	Health and Safety
Estimated Project Dates:	7/01/2007 – 6/30/2012
FY2008 Request:	\$1,750,000 Corporate Receipts
FY2008 Funding:	\$ Corporate Receipts

The purpose of this program is to provide funds for Alaskan non-profit service providers and housing developers to increase housing opportunities to Alaska Mental Health Trust beneficiaries and other special needs populations throughout Alaska. This program has developed 100 units since FY2000.

### The projected outcomes are:

- Congregate housing for people with mental illness, developmental disabilities;
- Reduced Recidivism amongst clients spending time in institutions;
- Supportive housing, including assisted living, for people with mental, physical, or developmental disabilities, or multiple disorders; and
- Transitional housing with support services for newly recovering alcoholics and addicts.

**Beneficiary & Special Needs Housing --- Corporate (AHFC) funds for a continuing program to serve populations with special housing needs.** The program provides funds to Alaskan non-profit service providers to increase housing opportunities for Mental Health Trust beneficiaries and other special needs populations throughout the state. The funds may be used for housing development and/or residential accessibility modifications.

### Funding History:

FY2007	\$1,750,000	Corporate Receipts
FY2006	\$1,200,000	State Mental Health General Funds
FY2005	\$1,200,000	Corporate Receipts
FY2004	\$1,200,000	Corporate Receipts
FY2003	\$1,500,000	Corporate Receipts
FY2002	\$1,500,000	Corporate Receipts
FY2001	\$1,500,000	Corporate Receipts
FY2000	\$1,700,000	Corporate Receipts

*Prior to FY2000 this program was part of DHSS's Beneficiary and Special Needs Housing Program:*

FY1999	\$1,200,000	Corporate Receipts
FY1998	\$1,200,000	Corporate Receipts
FY1997	\$1,500,000	Corporate Receipts
FY1996	\$1,200,000	Corporate Receipts

### Program Description:

This program provides funds to Alaskan non-profit service providers and housing developers to increase housing