

AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3381

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### States with Tradeable Film Tax Credits

Arizona		Massachusetts
Connecticut		Missouri
Georgia		New Jersey
Illinois		Pennsylvania
Iowa		Puerto Rico
Louisiana		Rhode Island

Click On State For Info

[View Our State By State Comparison Chart](#)

**TRADABLE TAX CREDITS: STATE-to-STATE COMPARISON (Updated 08-09-2007)**

STATE	INCENTIVE TYPE	% CREDIT	PROGRAM SIZE	CARRYFORWARD	LIMITATION	RECOURSE BUYER	ALLOWABLE TAXES	LAW WEB ADDRESS & RELEVANT CHAPTER/TITLE
ARIZONA	FILM	10-20% <small>(determined based on budget)</small>	\$40 MILLION <small>cap at \$70 million by 2010 (unless for rule per yr.)</small>	5 YEARS	100%	NO <small>See NOTE 1</small>	CORPORATE, INDIVIDUAL	<a href="http://www.nrlaw.state.ar.us/fin/incentives/index.htm">http://www.nrlaw.state.ar.us/fin/incentives/index.htm</a> Title 43, Indiv. Income Tax (Ch. 10) and Corp. Income Tax (Ch. 11)
CONNECTICUT	FILM <small>5%</small>	30%	UNLIMITED	3 YEARS	100%	NO <small>See NOTE 1</small>	CORPORATE, INDIVIDUAL	<a href="http://www.cga.ct.gov/2007/ACT/PA/2007PA-00235-R00HB-06500-PA.htm">http://www.cga.ct.gov/2007/ACT/PA/2007PA-00235-R00HB-06500-PA.htm</a> Public Act 07-235
GEORGIA	FILM	9% to 12% <small>labor dependent</small>	UNLIMITED	5 YEARS	100%	YES	CORPORATE, INDIVIDUAL	<a href="http://www.taxcreditllc.com/GA-Law.pdf">http://www.taxcreditllc.com/GA-Law.pdf</a> Corp, Individual and wh, 48-2-12 and 48-7-40.28
ILLINOIS	FILM	20% production	UNLIMITED	5 YEARS	100%	NO <small>See NOTE 1</small>	CORPORATE, INDIVIDUAL	<a href="http://www.revenue.state.il.us/ifa/faq/faq2Prnt100Index.html">www.revenue.state.il.us/ifa/faq/faq2Prnt100Index.html</a> Chapter 201 sections A and B
IOWA	FILM	25%	TBD	TBD	TBD	TBD	ALL TAXPAYERS	<a href="http://www.taxcreditllc.com/IA-Law.pdf">http://www.taxcreditllc.com/IA-Law.pdf</a>
LOUISIANA	FILM	20% to 25%	UNLIMITED	10 YEARS	100%	NO	CORPORATE, FIDUCIARY, FRANCHISE, INDIVIDUAL	<a href="http://www.lafilm.org/ordinance/lorc/00_6202005%20Film%20Incentive%20Act%5">http://www.lafilm.org/ordinance/lorc/00_6202005%20Film%20Incentive%20Act%5</a>
MASSACHUSETTS	FILM	25%	UNLIMITED	5 YEARS	100%	NO <small>See NOTE 1</small>	ALL TAXPAYERS	<a href="http://www.taxcreditllc.com/MA-Law.pdf">http://www.taxcreditllc.com/MA-Law.pdf</a> Chapter 62 and 63
MISSOURI	FILM	35%	\$10.5 MILLION	5 YEARS	100%	NO <small>See NOTE 1</small>	CORPORATE	<a href="http://www.mona.state.mo.us/statute/G100-199135000750.htm">http://www.mona.state.mo.us/statute/G100-199135000750.htm</a> Chapter 143 (excluding 143.191 - 143.261) and Chapter 148
NEW JERSEY	FILM	20%	\$10 MILLION	7 YEARS	50%	NO <small>See NOTE 2</small>	CORPORATE	<a href="http://www.nj.gov/state/olap">http://www.nj.gov/state/olap</a> P.L. 1945 - 167/C-54 (O.A. 1 at end) Waiting Governor Signature to increase cap to 30 Million
PENNSYLVANIA	FILM	25%	\$75 MILLION	NO	50%	NO <small>See NOTE 1</small>	CORPORATE	<a href="http://www.taxcreditllc.com/PA-Law.pdf">http://www.taxcreditllc.com/PA-Law.pdf</a>
PUERTO RICO	FILM	40%	\$15 MILLION	5 YEARS	100%	NO	CORPORATE	<a href="http://www.taxcreditllc.com/PR-Law.pdf">http://www.taxcreditllc.com/PR-Law.pdf</a>
RHODE ISLAND	FILM	25%	UNLIMITED	3 YEARS	100%	YES	CORPORATE, INDIVIDUAL, PREMIUM	<a href="http://www.rhodesia.state.ri.us/statutes/TITLE%20INDEX.HTM">http://www.rhodesia.state.ri.us/statutes/TITLE%20INDEX.HTM</a> RI General Laws Title 44, Chapter: 11, 14, 17, 20

NOTE 1: CPA audited financials must be provided by production company

NOTE 2: Proposed bill awaiting Governor's signature

2/22/08

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Anchorage Daily News

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**Bill would give filmmakers incentive to shoot here**  
**HOLLYWOOD'S COLD SHOULDER**

By WESLEY LOY

wloy@adn.com

(02/22/08 00:10:02)

JUNEAU -- No place in the world is more photogenic than Alaska, yet the state is blowing the scene when it comes to attracting a film industry potentially worth millions to the local economy, a state lawmaker says.

That's why Sen. Johnny Ellis, D-Anchorage, is sponsoring legislation to try to lure movie producers and their dollars -- and halt what he calls an appalling trend of pictures set in Alaska being shot in places like British Columbia and Louisiana.

Senate Bill 230 would grant state corporate income tax breaks of 30 percent or more against amounts producers spend within the state making movies. The bill is scheduled for a 9 a.m. hearing today before the powerful Senate Finance Committee.

Lots of other states offer such incentives to get the cameras rolling, and Alaska is losing out on an opportunity to create jobs and sales for local vendors, said Ellis, the Senate majority leader.

"If I've heard it once I've heard it a thousand times in this Legislature: What we need to do is diversify our economy," he said.

To Ellis and supporters of his bill, it's ridiculous that movies purportedly set in Alaska such as Kevin Costner's Coast Guard rescue drama "The Guardian" and last year's Arctic vampire thriller "30 Days of Night" were filmed not in Kodiak or Barrow, where they were set, but mostly in Louisiana and New Zealand.

For filmmakers to shoot more than just scenery or "establishment" shots in Alaska, the state must match business incentives other places offer to the film industry, bill supporters say.

Alaska is one of only five states without some sort of an industry incentive program despite its picture-perfect tidewater glaciers and majestic mountains, Ellis said.

And other states such as Texas and New Mexico have film offices with up to 11 employees and million-dollar budgets, while Alaska's film office has dwindled to one employee who spends only a quarter of her time fielding questions from the industry, according to research Ellis has pulled together.

The tax breaks his bill would offer wouldn't benefit filmmakers directly. That's because producers typically set up limited liability companies for each project, and these LLCs don't pay corporate income tax in Alaska.

So the bill provides that filmmakers could sell their credits to any Alaska firm with a corporate income tax liability. Here's how it would work: Blockbuster LLC receives a \$1 million tax credit from the state for its local costs to build sets, pay actors and haul cameras to locations. The company

sells its credit for 90 cents on the dollar, netting \$900,000.

Lots of other places have figured out that such incentives can effectively attract some of the billions of dollars movie and TV producers spend annually, Ellis said.

Veteran players in Alaska's small movie-support industry endorse the senator's bill. They're sure it'll work to attract movie spending.

"We think this industry is just going to rocket because of this tax incentive," said Bob Crockett, an Anchorage location scout who is part of a trade association called the Alaska Film Group.

He said studio people in Hollywood tell him it's no longer location that draws producers, it's the cost environment.

Alaska has "an allure, a mystique" that appeals to script writers and filmmakers, said Deborah Schildt, who runs an Anchorage film support company.

"But sadly, they use that mystique and shoot somewhere else," she said. "We really want Alaska to be on the map. We're like an uncut gem, you know?"

Not everyone thinks SB 230 deserves an Oscar.

"This is a film industry subsidy bill," said Sen. Con Bunde, R-Anchorage.

It vexes him that filmmakers who wouldn't owe corporate income taxes in Alaska could nevertheless receive tax credits. And he notes that state officials estimate it would cost about \$300,000 a year to run a film office with staffers to "jet around and rub elbows with film moguls."

Plus, he said, the tax breaks would cost the state an unknown amount in lost tax revenue.

Bunde said he also believes the bill's impact might be overstated because Alaska would remain a tough sell for Hollywood filmmakers with its long and expensive plane rides and harsh weather.

As for subsidies, Ellis argues the state gives tax breaks to another rich industry, oil and gas, to try to spur more in-state investment.

Bunde and Ellis agree on one thing, however: Both believe SB 230 has broad appeal in the Legislature and stands a good chance of passage.

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Find Wesley Loy online at [adn.com/contact/wloy](http://adn.com/contact/wloy) or call him in Juneau at 907-586-1531.

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**SB**

**231**

**HFIN**

**FILE**



# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HCS CS SB 231(FIN)  
( ) Publish Date: \_\_\_\_\_

Identifier (file name): \_\_\_\_\_ Dept. Affected: Revenue  
Title Low-Income Housing; Homelessness RDU Alaska Housing Finance  
Component \_\_\_\_\_  
Sponsor Senate Rules by Request of the Governor  
Requester House Finance Committee Component Number 110

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>		<b>6,000.0</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
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<b>CHANGE IN REVENUES ( )</b>							
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**FUND SOURCE** (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

**POSITIONS**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)  
HCS CS SB 231(FIN) amends the general powers and limitations of AHFC, to allow AHFC to expand the corporation's current homeless assistance program. Additional funding is included in SCS CS HB 312 Mental Health Budget for the current program in the following amounts:  
\$2.5 million AHFC Dividend  
\$1.0 million MHTAAR  
\$2.5 million Stat. Designated Receipt authority.  
  
Total, the program is funded at \$8.0 million.

Prepared by: House Finance Committee Phone 465-6875  
Division: \_\_\_\_\_ Date/Time 4/11/2008 9:25 a.m.  
Approved by: Rep. Kevin Moyer, Co-Chairman Date 4/11/2008  
Rep. Mike Chenault, Co-Chairman

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DPS-CO-1-04-08 Dept. Affected: Public Safety  
Title: "An Act relating to the Alaska housing trust fund..." RDU: Statewide Support  
Sponsor: Rules Committee Component: Commissioner's Office  
Requester: Rules Committee Component Number: 523

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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## FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

### POSITIONS

Full-time							
Part-time							
Temporary							

### ANALYSIS: *(Attach a separate page if necessary)*

This bill creates a fund to address the needs of Alaska's homeless population. This bill also establishes the Alaska Council on the Homeless with the commissioner of public safety as a member. This bill will have no financial impact on the Department of Public Safety.

Prepared by: Lauren Rice  
Division: Statewide Support  
Approved by: Walt Monegan, Commissioner  
Department of Public Safety

Phone: 269-5591  
Date/Time: 1/4/08 12:00 PM  
Date: 1/4/2008

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 3  
 Bill Version: SB 231  
 (S) Publish Date: 1/18/08  
 Dept. Affected: Health & Social Services  
 RDU: Departmental Support Services  
 Component: Off Faith-Based & Community Initiatives

ID(File name) 0006-DHSS-FBCI-12-26-07  
 Title ALASKA HOUSING TRUST FUND

Sponsor (RLS) BY REQUEST OF THE GOVERNOR  
 Requester GOVERNOR

Component No. 2849

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation		Information				
	Required						
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES (0)</b>							
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**FUND SOURCE** (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1037 GF/Mental Health							
Other(Specify Type-do not abbreviate)							
Other(Specify Type-do not abbreviate)							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This legislation establishes the Alaska Housing Trust Fund within the Alaska Housing Finance Corporation. The Housing Trust will serve as a financial structure for receiving money to address the needs of Alaska's homeless and will provide authority to give financial assistance to promote the creation and retention of an adequate supply of affordable housing for low income people. The Governor's FY09 Capital budget includes a request of \$10 million to the Department of Revenue/Alaska Housing Finance Corporation for the Housing Trust.

In addition to the Housing Trust, this legislation creates an advisory council that includes the Commissioner of the Department of Health and Social Services. This legislation has no known fiscal impact to DHSS at this time.

Prepared by: Bill Hogan, Deputy Commissioner  
 Division: Office of the Commissioner  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone: 465-3030  
 Date/Time: 12/26/2007  
 Date: 12/26/2007

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 4  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DOC-OC-12-20-07 Dept. Affected: Corrections  
Title "Alaska housing trust fund and to the Alaska Council on the Homeless ..." RDU Administration and Operations  
Rules Committee Component Office of the Commissioner  
Sponsor Rules Committee  
Requester Governor Component Number 694

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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FUND SOURCE	(Thousands of Dollars)						
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

### POSITIONS

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time	0	0	0	0	0	0	0
Part-time	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Passage of this legislation should have no fiscal impact on the Department of Corrections.

Prepared by: Sharleen Griffin, Director  
Division: Administrative Services  
Approved by: Dwayne Peeples, Deputy Commissioner  
Department of Corrections

Phone (907) 465-3339  
Date/Time 12/20/07 1:55 PM  
Date 12/20/2007

HOUSE CONCURRENT RESOLUTION NO. 34  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced:  
Referred:

A RESOLUTION

1 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State  
2 Legislature, concerning Senate Bill No. 231, relating to the Alaska housing trust fund  
3 and to the Alaska Council on the Homeless.

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
6 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
7 changes to the title of a bill, are suspended in consideration of Senate Bill No. 231, relating to  
8 the Alaska housing trust fund and to the Alaska Council on the Homeless.

*adopted 4/11/08*

**HOUSE CS FOR CS FOR SENATE BILL NO. 231(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to powers of the Alaska Housing Finance Corporation involving**  
2 **homelessness, housing retention, and transition from dependency on low-cost housing;**  
3 **and providing for an effective date."**

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

5 **\* Section 1. AS 18.56.090(a) is amended to read:**

6 (a) In addition to other powers granted in this chapter, the corporation may,  
7 for the purpose of providing housing for persons of lower and moderate income or  
8 persons located in remote, underdeveloped, or blighted areas of the state and for its  
9 other corporate purposes,

10 (1) make or participate in the making of mortgage loans to sponsors,  
11 developers, builders, and purchasers of residential housing, if the corporation  
12 determines that

13 (A) mortgage loans are not otherwise available, wholly or in  
14 part, from private lenders upon reasonably equivalent terms and conditions;

1 and

2 (B) the residential housing for which the mortgage loans are  
3 made complies with applicable provisions of AS 18.56.096(c) and the  
4 applicable thermal and lighting energy standards of AS 46.11.040;

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

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

12 (B) has determined that

13 (i) the purchase or participation will result in additional  
14 residential housing, taking into account without limitation such factors  
15 as reinvestment of the proceeds of the sale in additional mortgage  
16 loans, increased availability of mortgage loans insured by the federal  
17 government, its agencies or departments, the reduction, if any, of  
18 interest payments to be made with respect to mortgage loans, or such  
19 other factors as will tend to increase or improve the supply of  
20 residential housing within the state; and

21 (ii) the residential housing covered by the mortgage  
22 loan complies with applicable provisions of AS 18.56.096(c) and the  
23 applicable thermal and lighting energy standards of AS 46.11.040;

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

29 (4) make loans from the housing development fund;

30 (5) collect and pay reasonable fees and charges in connection with  
31 making, purchasing, and servicing its mortgages, loans, notes, bonds, certificates.

1 commitments, and other evidences of indebtedness;

2 (6) acquire real property, or any interest in real property, in its own  
3 name, by purchase, transfer, or foreclosure, when the acquisition is necessary or  
4 appropriate to protect any loan in which the corporation has an interest; sell, transfer,  
5 and convey the property to a buyer; and, if the sale, transfer, or conveyance cannot be  
6 effected with reasonable promptness or at a reasonable price, rent or lease the property  
7 to a tenant pending the sale, transfer, or conveyance;

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

12 (8) purchase, in order to meet the requirements of the sale of its  
13 mortgages to the Federal National Mortgage Association, stock of the Federal  
14 National Mortgage Association;

15 (9) procure insurance against any loss in connection with its operation;

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

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

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

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

29 (14) provide technical and advisory services to sponsors, builders, and  
30 developers of residential housing and to residents of it;

31 (15) promote research and development in scientific methods of

1 constructing low-cost and energy-efficient residential housing of high durability;

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

6 (17) receive, administer, and comply with the conditions and  
7 requirements respecting any appropriation or gift, grant, or donation of property or  
8 money;

9 (18) sue and be sued in its own name;

10 (19) adopt an official seal;

11 (20) adopt bylaws for the regulation of its affairs and the conduct of its  
12 business and adopt regulations and policies in connection with the performance of its  
13 functions and duties;

14 (21) employ fiscal consultants, engineers, attorneys, real estate  
15 counselors, appraisers, and other consultants and employees that may be required in  
16 the judgment of the corporation, and fix and pay their compensation from funds  
17 available to the corporation;

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

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

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

1 (25) participate in the making of mortgage loans to borrowers for  
2 congregate housing under AS 18.56.100(b)(1) as the purchaser of those loans; loans  
3 made for congregate housing under this paragraph must reflect application of prudent  
4 underwriting standards and lending practices that include, but are not limited to,  
5 appropriate loan-to-value ratios and the ability of a borrower to repay the loan;

6 (26) participate in the development of buildings or units that, by  
7 their use, address homelessness but that, by their operation, appear  
8 nonresidential in nature;

9 (27) provide financial assistance to prevent homelessness,  
10 including prevention of foreclosures and evictions;

11 (28) provide financial assistance to support housing retention  
12 services or facilitate transition from dependency on low-cost housing;

13 (29) participate with appropriate sponsoring agencies or groups in  
14 demonstration housing projects that address homelessness.

15 \* Sec. 2. AS 18.56.090 is amended by adding a new subsection to read:

16 (c) In (a) of this section "homelessness" means the state of an individual who  
17 lacks a fixed, regular, and adequate nighttime residence, and includes an individual  
18 who

19 (1) is sharing the housing of other individuals because of loss of  
20 housing, economic hardship, domestic violence, or a similar reason;

21 (2) is living in a motel, hotel, trailer park, or camping ground because  
22 of the lack of alternative adequate accommodations;

23 (3) is living in an emergency or transitional shelter;

24 (4) is abandoned in a hospital;

25 (5) is waiting for a foster care placement;

26 (6) has a primary nighttime residence that is a public or private place  
27 not designed for or ordinarily used as a regular sleeping accommodation for human  
28 beings;

29 (7) is living in a car, a park, a public space, an abandoned building,  
30 substandard housing, a bus or train station, or a similar setting;

31 (8) is fleeing a domestic violence situation, does not have an

1 alternative residence, and lacks the resources and support needed to obtain housing;

2 (9) is being evicted within a week, does not have an alternative  
3 residence, and lacks the resources and support needed to obtain housing;

4 (10) is being discharged within a week from an institution, including a  
5 mental health treatment facility, substance abuse treatment facility, or prison, in which  
6 the individual has been a resident for more than 30 consecutive days, does not have an  
7 alternative residence, and lacks the resources and support needed to obtain housing.

8 \* Sec. 3. This Act takes effect July 1, 2008.

25-LS1660A  
Cook  
4/10/08

**HOUSE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY**

**Introduced:**  
**Referred:**

**A RESOLUTION**

1 **Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**  
2 **Legislature, concerning Senate Bill No. 231, relating to the Alaska housing trust fund**  
3 **and to the Alaska Council on the Homeless.**

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5       That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
6 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
7 changes to the title of a bill, are suspended in consideration of Senate Bill No. 231, relating to  
8 the Alaska housing trust fund and to the Alaska Council on the Homeless.

---

**SECTIONAL ANALYSIS**  
Senate Bill 231

**"An Act relating to the Alaska housing trust fund and to the Alaska Council on the Homeless; and providing for an effective date."**

**Section 1:** Amends AS 18.56 by adding new sections that:

- a. Establishes the Alaska housing trust fund and its funding priorities.
- b. Increases AHFC's authority to participate in projects that meet the intent of the fund.
- c. Allows for administrative costs to be paid from the fund.
- d. Establishes long term affordability goals for projects funded through the trust fund.
- e. Establishes eligible organizations for funding.
- f. Allows for the adoption of regulations.
- g. Establishes the Alaska Council on the Homeless as an advisory council to AHFC.
- h. Outlines the Councils' membership.
- i. Establishes AHFC's reporting requirements for the trust fund.
- j. Defines specific terms.

**Section 2:** Effective date is July 1, 2008.





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907-338-6100

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Internet Web Site:  
<http://www.ahfc.state.ak.us>

## SPONSOR STATEMENT Senate Bill 231

**"An Act relating to the Alaska housing trust fund and to the Alaska Council on the Homeless; and providing for an effective date."**

SB 231 will create a housing trust fund within the Alaska Housing Finance Corporation (AHFC) to address the problems of homelessness in the State of Alaska. It will increase AHFC's flexibility in addressing long term solutions to homelessness. SB 231 will also codify the role of the Governor's Council on the Homeless, which has been operating under Administrative Order. This bill is the culmination of many years of work by several statewide advocacy groups and one of the main recommendations of the Governor's Council on the Homeless, a cabinet level advisory group.

Homelessness is one of the most important social issues facing Alaska.

- 3,500 Alaskans are homeless on any given night, including 1,600 people in families with children.
- 4,000 Alaskan households are on the waiting list for public housing programs – most are families with children.
- 20,000 low-income Alaska households spend more than half their income on housing, placing them at risk of homelessness.

The development of housing alone is not enough to provide permanent solutions to homelessness. People who are homeless, or at risk of being homeless, frequently need supportive services to be successful, such as: treatment, crisis intervention, tenant education, financial literacy, job counseling, and life-skills training.

There are high personal and financial costs associated with the homeless and families at-risk of being homeless.

- Personal costs to individuals and families include a higher risk of crime victimization, increased medical and behavioral health needs, and lower student achievement.
- Financial costs to local governments and the State include increased use of emergency services, medical and behavioral health services, public safety and the courts.

Placing a housing trust within AHFC expands the services of the State without expanding government's size. SB324 will give AHFC and its partners the flexibility to address homelessness in Alaska. Housing trusts are a proven nationwide model.

- There are 600 housing trust funds operating nationwide.



- They generate more than \$1.6 billion a year to support critical housing needs and affordable housing across the U.S.
- On average, each \$1 spent by a housing trust fund leverages \$7 in other funds.

The Governor's proposed FY09 capital budget includes a \$10 million request for the establishment of the housing trust fund. This \$10 million is made up of funds from four different sources: \$2.5 million each from the AHFC dividend, Mental Health Trust Authority receipts, state general funds and contributions from other private sources.



# FISCAL NOTE

*Replaced 4/11/08*

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 5  
 Bill Version: CSSB 231(HES)  
 (S) Publish Date: 4/7/08

Identifier (file name): 0006-DOR-AHFC-2-18-08 Dept. Affected: Revenue 04  
 Title: Alaska Housing Trust Fund RDU: Alaska Housing Finance Corp.  
 Component: \_\_\_\_\_  
 Sponsor: Governor  
 Requester: Governor Component Number: 110

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERAT.NG</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>10,000.0</b>	<b>10,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>							

**FUND SOURCE** (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts	0.0						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

**POSITIONS**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time	0.0						
Part-time	0.0						
Temporary	0.0						

**ANALYSIS:** *(Attach a separate page if necessary)*  
 There is a zero fiscal note attached to this legislation. The cost of administering the housing trust fund and supporting the Governor's Council will be covered by the capital appropriation (not to exceed 10%) and AHFC's existing operating budget. Administrative costs will include: staff salaries and benefits, travel and training, supplies and materials, and consulting costs. This level of funding will be sufficient to administer the housing trust fund and the Governor's Council.

Prepared by: Bryan Butcher Phone 330-844\*  
 Division: Alaska Housing Finance Corporation Date/Time 2/18/08 2:00 PM  
 Approved by: \_\_\_\_\_ Date \_\_\_\_\_

SB 231



**ALASKA  
HOUSING  
TRUST**

### Ratio of Average Home Price to Median Family Income

The Ratio of Average Home Price to Median Family Income (The ratio times MFI equals Ave Home Price.)

Location	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	% Change
Anchorage	2.7	2.8	2.8	3.0	3.0	3.1	3.4	3.6	3.2	3.3	3.6	4.0		46.4%
MatSu Borough	2.3	2.4	2.5	2.6	2.5	2.6	2.7	2.8	2.7	2.9	3.1	3.2		41.1%
Fairbanks North Star	2.7	2.8	3.0	3.1	3.0	3.0	3.1	3.1	2.7	2.7	2.8	3.4		25.1%
Kenai Peninsula Borough	2.2	2.3	2.4	2.7	2.9	2.8	2.9	3.2	2.6	2.6	2.9	3.1		42.3%
Juneau	2.7	3.0	3.1	3.1	3.1	3.1	3.2	3.3	2.9	3.1	3.3	3.5		27.6%
Ketchikan	2.9	3.0	2.9	2.9	2.9	3.0	3.1	3.1	3.2	2.8	3.2	2.8		-2.6%
Kodiak			3.2	3.4	3.4	3.5	3.7	3.4	2.8	3.0	3.2	3.1		-4.5%
Bethel						6.3	6.4	7.5	5.1	4.0	5.2	5.1		-18.6%
Sitka													6.2	0.0%
Rest of State Average	3.4	3.6	3.7	3.8	3.6	3.6	3.6	3.6	3.2	3.1	3.4	3.4		0.3%
<b>Satewide Total</b>	<b>2.9</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>3.5</b>	<b>3.6</b>	<b>3.2</b>	<b>3.3</b>	<b>3.6</b>	<b>3.8</b>		<b>33.5%</b>

*Opportunity begins with a home*

3745 Community Park Loop, Suite 200, Anchorage, Alaska 99508

Tel: 907.334.2535 Fax: 907.269.7966 Email: [kim@alaskahousingtrust.org](mailto:kim@alaskahousingtrust.org) [www.alaskahousingtrust.org](http://www.alaskahousingtrust.org)



Sarah Palin  
GOVERNOR

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

May 1st, 2007

### ADMINISTRATIVE ORDER NO. 236

I, Sarah Palin, Governor of the State of Alaska, under the authority of art. III, secs. 1 and 24, of the Alaska Constitution, and in accordance with AS 44.19.145(c), establish the Alaska Council on the Homeless in the Alaska Housing Finance Corporation.

#### BACKGROUND AND PURPOSE

Homelessness is one of the most challenging domestic issues facing the United States. Alaska is no exception. Alaska's Faith-Based and Community Initiatives Task Force found housing to be the most commonly identified challenge facing those in need. The Alaska Council on the Homeless (council) was initially established by Administrative Order No. 214 in April 2004 to develop a statewide action plan addressing homelessness in Alaska.

The plan, *Keeping Alaskans Out of the Cold*, was completed and submitted in October 2005. Included in its recommendations was the appointment of a steering committee to assist the governor and the legislature to develop an affordable housing trust. The steering committee completed its work in 2006 and the current council has recommended that the Alaska Housing Trust Fund (fund) be created within the Alaska Housing Finance Corporation (AHFC) under AS 18.56. The purpose of this Administrative Order is to add additional members to the council and to expand the council's duties.

#### MEMBERSHIP

The council consists of members appointed by the governor to serve at the pleasure of the governor. Continuing members of the original council are: one representative each from the Alaska Housing Finance Corporation, Alaska Mental Health Trust Authority, Department of Health and Social Services, Department of Education and Early Development, Department of Public Safety, and Department of Corrections serving on the effective date of this Order. New members are: one representative of regional Native housing authorities, one representative of municipal government, and four additional members with experience and expertise in housing development or as consumers of affordable housing.

The council may invite to its meetings non-voting representatives from federal and local government agencies, the business community, providers of services to the homeless, philanthropic agencies, faith-based organizations, homeless advocacy organizations, homeless persons, and community leaders. The council may elect a chair and other officers as determined necessary.

### DUTIES OF THE COUNCIL

The council's duties set out in Administrative Order No. 214 are amended by adding new duties as follows:

1. Assist with the development of the fund.
2. Upon establishment of the fund, annually evaluate housing needs and priorities to establish a statewide homeless action plan and recommend to the AHFC Board of Directors the allocation of money in the fund to implement the plan; other duties specific to the fund include monitoring implementation of the fund budget, recommending methods for evaluating and monitoring fund activities, recommending methodology for reporting to public and elected officials, coordinating the fund with other available financing sources, seeking additional money to support fund activities, and ensuring that projects supported by the fund are sustainable.
3. Monitor and review implementation of the statewide homeless action plan and annually report to the governor the council's findings and recommendations regarding implementation of the plan.
4. Annually report to the governor on how state resources, in addition to the fund, may be used to end homelessness.

### ADMINISTRATIVE SUPPORT

The AHFC shall provide administrative support for the council. In accordance with law, the AHFC may enter into intergovernmental agreements necessary to accomplish the purposes of this Order.

### GENERAL PROVISIONS

The following general provisions apply to the activities of the council:

1. Council members do not receive compensation as a member of the council. Per diem and travel expenses for state and federal members of the council are the responsibility of the state or federal agency the member represents.
2. To reduce costs, the council may use teleconferencing or other electronic means to the extent practicable in order to gain the widest public participation at minimum cost.
3. The council shall establish procedures for voting and meetings of the council.
4. Meetings of the council shall be conducted, and notice of the meetings provided, in accordance with AS 44.62.310 and 44.62.320 (Open Meetings of Governmental Bodies).

This Order takes effect immediately. This Order supplements Administrative Order No.

214 on this matter.

DATED at Juneau, Alaska, this 1st day of May, 2007.

/s/Sarah Palin  
Governor

[WWW.GOV.STATE.AK.US](http://WWW.GOV.STATE.AK.US)

Administrative Orders 201-present | Contact the Governor | Webmaster | State of Alaska

## Alaska Council on the Homeless

WHEREAS, the Alaska Council on the Homeless is charged with developing strategies designed to address the needs of homeless Alaskans; and

WHEREAS, approximately 3,500 people are homeless on any given night, including 1,600 people in families with children,<sup>1</sup> and more than 3,000 children were homeless or inadequately housed at some time during the 2005-2006 school year,<sup>2</sup> and

WHEREAS, approximately 4,000 households are waiting for public housing programs, mostly with children<sup>3</sup> and approximately 20,000 low-income households spend over half their income on housing, placing them at risk of homelessness;<sup>4</sup> and

WHEREAS, current housing programs are poorly connected to supportive services necessary to end the cycle of homelessness, and the lion's share of housing assistance is provided by federal programs that do not adequately focus on Alaska's homeless problem; and

WHEREAS, approximately \$45,000 is spent on intervention services on each homeless person in Alaska over a 20 month period;<sup>5</sup> and

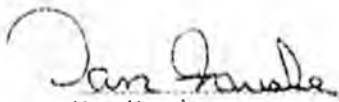
WHEREAS, more than 30 states have created housing trust funds, with consistent success in decreasing homelessness, which on average have leveraged \$9.25 in additional funding for each dollar invested; and

WHEREAS, an Alaska Housing Trust would emphasize prevention of homelessness in addition to addressing the needs of those who are already homeless; and

WHEREAS, an Alaska Housing Trust would be a strong partnership between public and private agencies and organizations; and

THEREFORE, BE IT RESOLVED THAT the Alaska Council<sup>1</sup> on the Homeless supports the creation of an Alaska Housing Trust.

ADOPTED THIS 8th DAY OF February, 2007



Dan Fauske  
Chairperson

<sup>1</sup> AHIC, Statewide Homeless Survey - Winter 2006. The survey uses the HUD definition, which focuses on people in shelters. It is a point-in-time count.

<sup>2</sup> Preliminary number from M. Gaber, Alaska Department of Education, Homeless Education Coordinator (personal communication to S. Schubert 9/25/06). The DOE definition also includes children in substandard housing, shared housing, and non-traditional spaces such as motels, campgrounds, and cars. DOE's number is cumulative for the school year.

<sup>3</sup> AHIC, Statewide Homeless Survey - Winter 2006. The survey uses the HUD definition, which focuses on people in shelters. It is a point-in-time count.

<sup>4</sup> MOA Housing and Community Development Consolidated Plan, 2003-2007, State 5-Year HCD Plan, 2006-10.

<sup>5</sup> Sepal B. Center for Alcohol & Addiction Studies, UVA. Summary Progress Report - Innovative Services for Alaska's Homeless Persons with Mental Illness. 2003.



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## Alaska Council on the Homeless

### Members SB231

Dan Fauske, CEO/Executive Director  
Alaska Housing Finance Corporation

Joseph Schmidt, Commissioner  
Department of Corrections

Karleen Jackson, Commissioner  
Department of Health and Social Services

Jeff Jessee, Executive Director  
Alaska Mental Health Trust Authority

Barbara Thompson, Acting-Commissioner  
Department of Education and Early Development

Walt Monegan, Commissioner  
Department of Public Safety

Major General Craig Campbell, Adjutant General/Commissioner  
Department of Military and Veterans Affairs

Public Member Representing Regional Housing Authority

Public Member Representing Local Government

Four Public Members Representing Affordable Housing Industry



"HOUSING FOR ALASKANS"



50231

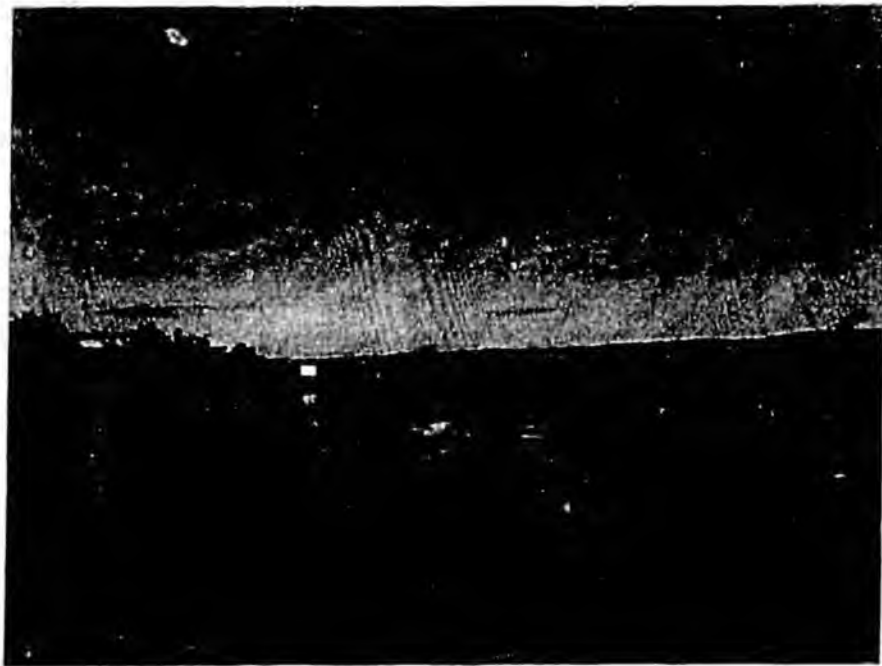


# 2005 Housing Assessment

## Findings Statewide & for Calista Region



## Calista Region Characteristics



- People live in the same community for a long time
- Low rate of college completion
- Low income
  - 18.6% of households bring in less than \$10,000 per year
  - 43.4% of households bring in \$10,000 to \$30,000
  - 62% of households have income of \$30,000 or less
- High subsistence activity – 84.5% of respondents

# Calista

## Construction Costs

Construction Cost Estimation – based on end of year 2004

Statewide average cost estimated \$168,033 per unit, \$204,157 per single family unit

Transportation Index:

- AHFC Transportation Index Value Applied to Bethel CA
- Index based on AVCP info applied to Wade-Hampton CA
- The cost construct units in these two census areas was averaged to reach a value for the Calista region

\$24,000 shipping cost for each housing unit


Estimated average cost to build a new housing unit in the Calista Region \$304,392 – this is the value used in generating cost estimates



# Calista Housing Characteristics


- Estimated number of households in 2005 = 7,536
- Number of households counted in 2000 census = 7,238
- In 2005 there were an estimated 4.95 residents per households
- Median of 212 sf per resident
- Slightly more than 1 in 10 houses in the region are 500 sf or smaller
- More than half less than 1,000 sf

# How different is Calista Region?



	Statewide	Calista
• 2000 Population	626,932	23,034
• Average persons/household	2.4	4.95
• Income < \$10,000	34 %	62 %
• Mean household unit	1,507 sq ft	1,048
• Median household unit	1,300 sq ft	1,000

# How different is Calista Region?



	Statewide	Calista
• Mean sq ft per resident	634	300
• Median <del>sq ft</del> per resident	500	212
• No running water	10 %	33 %
• Drafty	45 %	75 %

# Calista Region Housing Condition

- 53% of respondents reported some ice build-up on the inside of their homes
- 48% of respondents reported some mold or mildew on the inside of their home
- 85% of respondents reported having double pane windows in their home
- 92% of respondents report heating with oil or diesel
- 69% of respondents indicate that the homes in which they live are “in good shape” or “in need of repair but manageable”

# Positive Change

- Estimated 298 new housing units between 2000 and 2005
- In 1991 nearly half of all homes had 150 square feet or less per resident
- In 2005, that number has decreased to just over 30 percent
- The number of homes with more than 300 square feet per resident increased from 20 to 34 percent between 1991 and 2005
- Lowest rent in the state – average \$466 per month

# Need and Challenges

- Total new units needed - 3,581
- Private housing market does not fill need
  - High cost building
  - Low wage earnings
- The average cost to build a new home in excess of \$300,000 per unit
- Total estimated cost - \$1,134.8 million



ALASKA  
HOUSING  
TRUST

January 25, 2008

The Honorable Bettye Davis  
Alaska Senate  
State Capitol, Room 30  
Juneau, AK 99801-1182

Dear Senator Davis:

On behalf of the over 70 groups that comprise the coalition in support of the Alaska Housing Trust, I would like to thank you for hearing SB 231. This important bill will give Alaska a needed tool to combat a growing problem in our state: homelessness.

The Alaska Housing Trust Initiative began in 2006 as a ground swell from service providers and affordable housing organizations to address a gap in the way that low income housing is built and to create stable housing with supportive services to help people transition into self-sufficiency.

The problem of homelessness is getting worse. Here are a few startling statistics:

- 3,500 Alaskans are homeless on any given night, including 1,600 people in families with children.
- 4,000 Alaskan households are on the waiting list for public housing programs – most are families with children.
- 20,000 low-income Alaska households spend more than half their income on housing, placing them at risk of homelessness.
- Families with children are the fastest growing segment of Alaska's homeless population.

The impacts of homelessness are not just limited to a lack of housing. Homeless people have trouble accessing services to help them get back on their feet, it is difficult to find or hold onto a job. Children suffer academically and often move from school to school.

There are high personal and public costs associated with being homeless or living on the edge of homelessness. Personal costs to individuals and families include greater family stress, lower student achievement, a higher risk of becoming a victim of crime, and increased medical and behavioral health needs. Costs to local governments and the State include increased use of emergency services, medical and behavioral health services, public safety and the courts.

The Housing Trust model is a tool that can help address some of the issues that cause homelessness and help homeless individuals get the services they need to get and maintain stable housing.

*Opportunity begins with a home*

2745 Community Park Loop, Suite 200, Anchorage, Alaska 99508

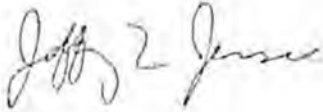
Tel: 907 334 2995 Fax: 907 269 7966 Email: [jam@alaskahousingtrust.org](mailto:jam@alaskahousingtrust.org) [www.alaskahousingtrust.org](http://www.alaskahousingtrust.org)

We have attached a regional breakdown of rents and wages demonstrating how long a person working at minimum wage would have to work to afford housing in their community. Clearly, many Alaskans are struggling to stay in housing and the pace of wages cannot keep up with the rising cost of housing.

The Housing Trust model has been successful in over 33 states and in hundreds of communities. Supportive housing is one of the least expensive ways of addressing the issues that so many homeless people face. It cost thousands less per year than incarceration, hospitalization or institutionalization.

On behalf of the Coalition, we respectfully submit these materials and look forward to working together to create the Alaska Housing Trust.

Sincerely,



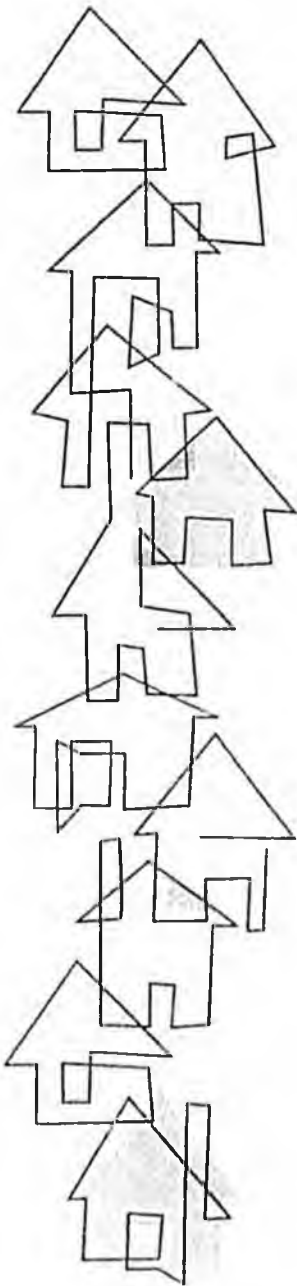
Jeff Jessee  
Chair, Housing Trust Steering Committee  
CEO, Alaska Mental Health Trust Authority

*Opportunity begins with a home*

3745 Community Park Loop, Suite 200 Anchorage, Alaska 99508

Tel: 907 334 2535 Fax: 907 269 7966 Email: [kim@alaskahousingtrust.org](mailto:kim@alaskahousingtrust.org) [www.alaskahousingtrust.org](http://www.alaskahousingtrust.org)

# In Anchorage, housing prices have moved out of reach for ordinary people.

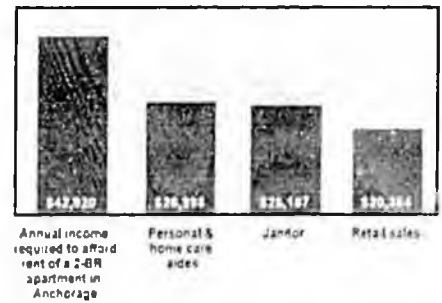


**Working Alaskans in Anchorage cannot afford to buy a house.**  
 In the past ten years, the cost of a single family home in Anchorage has increased by over 100%, while median family income has increased by 38%.

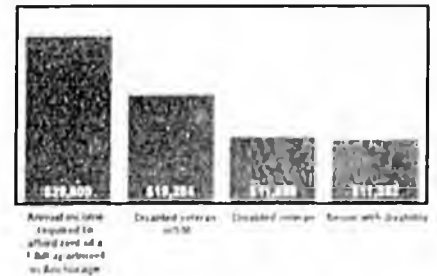
Anchorage: Price of Homes vs. Median Family Income



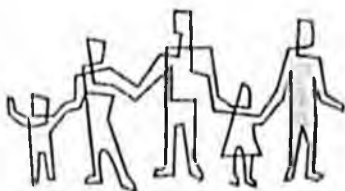
**Working Alaskans in Anchorage cannot afford rent.**  
 A person living in Anchorage must earn \$17.71 per hour to afford the average fair market rent for a two-bedroom apartment of \$942.00 monthly. A person earning minimum wage must work 99 hours to afford this rent.



**Seniors, veterans, and disabled Alaskans are at risk of homelessness.**  
 People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent a fair market rate, one-bedroom apartment in Anchorage.



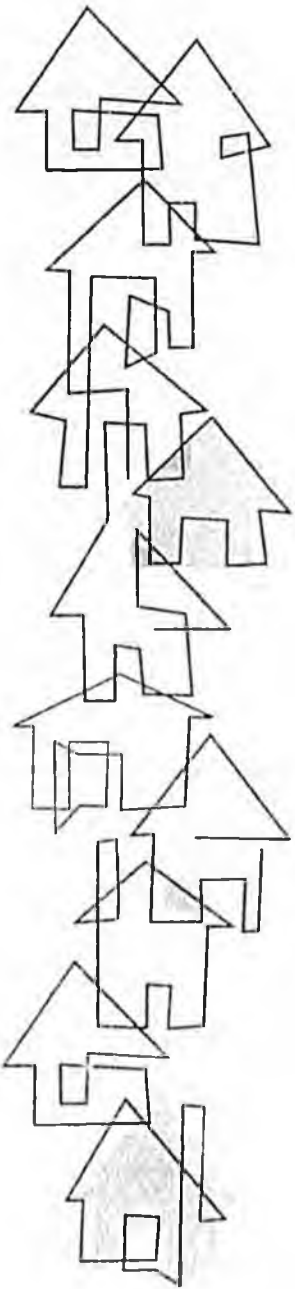
- 1,702**  
The number of (K-12) school-age children in Anchorage who were homeless at one time in the 2005-2006 school year.<sup>1</sup>
- 633**  
The number of children in preschool in Anchorage who were homeless at one time in the 2005-2006 school year.<sup>2</sup>
- 20,000**  
The number of low-income Alaskans spending over 50% of their income on housing.<sup>3</sup>
- 16%**  
The percentage of homeless people in Alaska who are victims of domestic violence.<sup>4</sup>
- 9%**  
The percentage of homeless people in Alaska who are veterans.<sup>5</sup>



<sup>1</sup> Homeless Children Report, K-12 School Year, Alaska Department of Education and Early Development  
<sup>2</sup> Homeless Children by District & School Year, Alaska Department of Education and Early Development  
<sup>3</sup> Alaska Housing and Community Development, 2005-2006, Alaska Department of Education and Early Development  
<sup>4</sup> Alaska Statewide Homeless Survey, Winter 2006  
<sup>5</sup> Alaska Statewide Homeless Survey, Winter 2006  
 Data provided by the Alaska Housing Trust, collected from Alaska Housing Trust's Cooperative HUD Survey  
 Data provided by Alaska Department of Education and Early Development

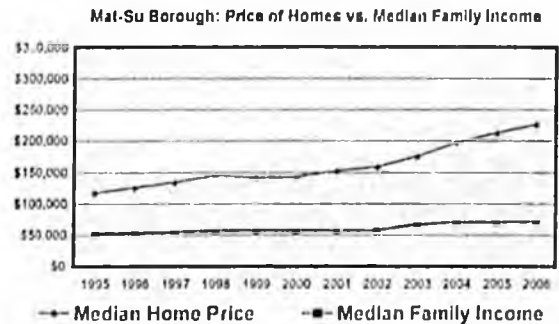
ALASKA HOUSING TRUST 

# In the Mat-Su Borough, housing prices have moved out of reach for ordinary people.



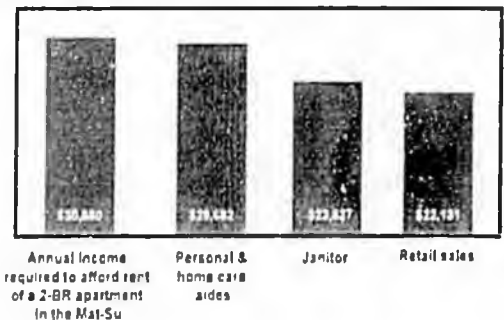
## Working Alaskans in the Mat-Su cannot afford to buy a house.

In the past ten years, the cost of a single family home in the Mat-Su Borough has increased by over 95% while median family income has increased by 38%.



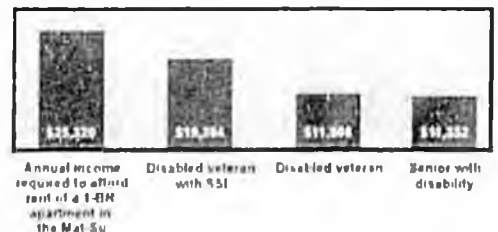
## Working Alaskans in the Mat-Su cannot afford rent.

A person living in Mat-Su must earn \$14.98 per hour to afford the average fair market rent for a two-bedroom apartment of \$797.00 monthly. A person earning minimum wage must work 84 hours to afford this rent.



## Seniors, veterans, and disabled Alaskans in the Mat-Su are at risk of homelessness.

People living on fixed incomes like seniors and people with disabilities cannot afford to rent a fair market rate, one-bedroom apartment in the Mat-Su.



**530**

The number of schoolchildren (K-12) in the Mat-Su Borough who were homeless at one time in the 2005-2006 school year.<sup>1</sup>

**137**

The number of children in preschool in the Mat-Su Borough who were homeless at one time in the 2005-2006 school year.<sup>2</sup>

**20,000**

The number of low-income Alaskans spending over 50% of their income on housing.<sup>3</sup>

**16%**

The percentage of homeless people in Alaska who are victims of domestic violence.<sup>4</sup>

**9%**

The percentage of homeless people in Alaska who are veterans.<sup>5</sup>

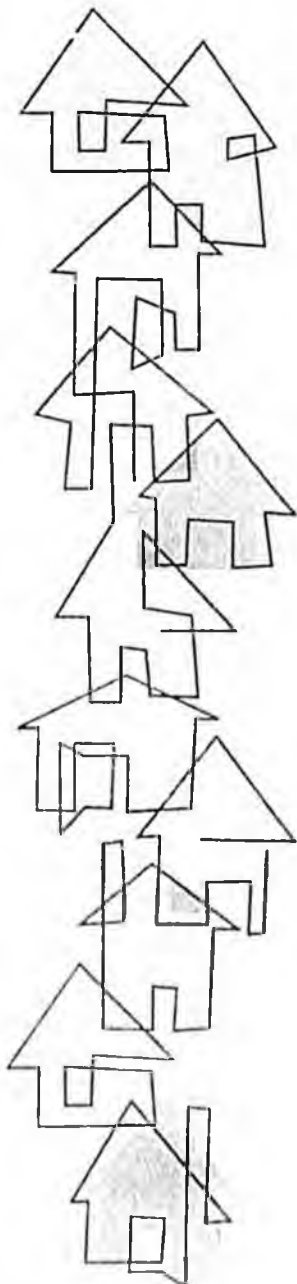


<sup>1</sup> Homeless Children by District & School Year, Alaska Department of Education, Health, and Development  
<sup>2</sup> Homeless Children by District & School Year, Alaska Department of Education, Health, and Development  
<sup>3</sup> Alaska Housing and Community Development Fund, July 11, 2005, 2005-2006, p. 10, D.H.S. 2005-10  
<sup>4</sup> Alaska Statewide Homeless Survey, Winter 2004  
<sup>5</sup> Alaska Statewide Homeless Survey, Winter 2004  
 Data on rent, purchase price, and mortgage debt are from Alaska Housing and Community Development Fund, Alaska Department of Labor and Workforce Development

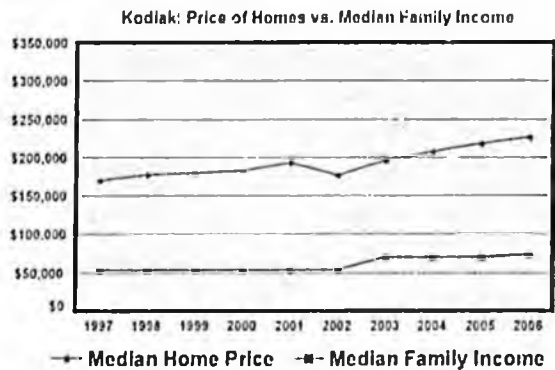
ALASKA HOUSING TRUST



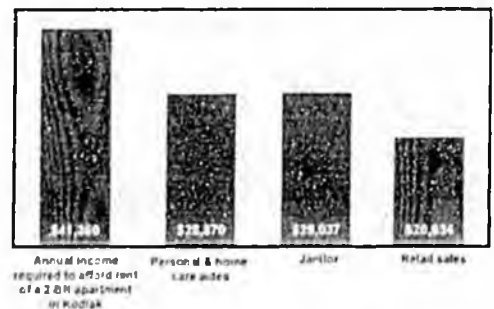
# In Kodiak, housing prices have moved out of reach for ordinary people.



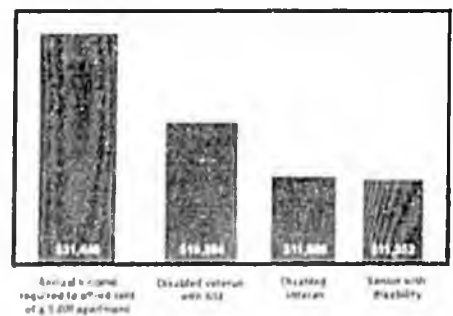
**Working Alaskans in Kodiak cannot afford to buy a house.** In the past ten years, the price of a single family home in Kodiak has increased by \$55,401 while the median family income has increased by \$20,400.



**Working Alaskans in Kodiak cannot afford rent.** A person living in Kodiak must earn \$19.21 per hour to afford the average fair market rent for a two-bedroom apartment of \$1034.00 monthly. A person earning minimum wage must work 107 hours to afford this rent.



**Seniors, veterans, and disabled Alaskans in Kodiak are at risk of homelessness.** People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent a fair market rate, one-bedroom apartment in Kodiak.



- 7**  
The number of schoolchildren (K-12) in Kodiak who were homeless at one time in the 2005-2006 school year.
- 13**  
The number of children in preschool in Kodiak who were homeless at one time in the 2005-2006 school year.
- 20,000**  
The number of low-income Alaskans spending over 50% of their income on housing.\*
- 16%**  
The percentage of homeless people in Alaska who are victims of domestic violence.\*
- 9%**  
The percentage of homeless people in Alaska who are veterans.\*



\* Homeless Community District & Council on Homelessness, Alaska Department of Community and Early Development  
 \*\* Homeless Community District & Council on Homelessness, Alaska Department of Community and Early Development  
 \*\*\* Alaska Housing Trust, Community Development Council, Federal Home Loan Bank of Alaska, State of Alaska, HUD, HUD-PI  
 \*\*\*\* Alaska Statewide Homeless Survey, Winter 2006  
 \*\*\*\*\* Alaska Housing Trust, Community Development Council, Federal Home Loan Bank of Alaska, State of Alaska, HUD, HUD-PI  
 \*\*\*\*\* Alaska Housing Trust, Community Development Council, Federal Home Loan Bank of Alaska, State of Alaska, HUD, HUD-PI  
 \*\*\*\*\* Alaska Department of Labor and Workforce Development

ALASKA HOUSING TRUST

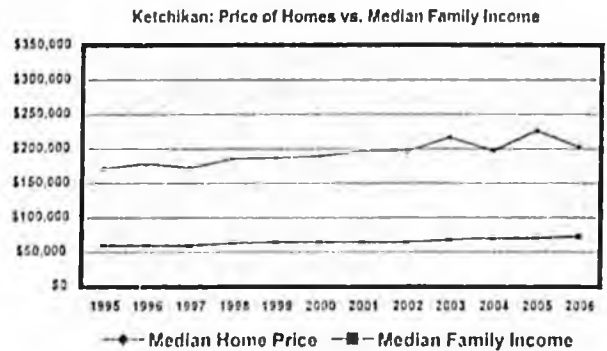


# In Ketchikan, housing prices have moved out of reach for ordinary people.



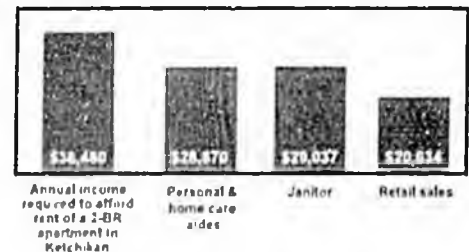
## Working Alaskans in Ketchikan cannot afford to buy a house.

In the past ten years, the cost of a single family home in Ketchikan has increased by \$31,228 while median family income has increased by only \$12,800.



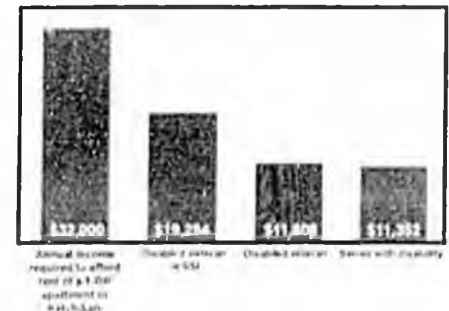
## Working Alaskans in Ketchikan cannot afford to rent.

A person living in Ketchikan must earn \$17.88 per hour to afford the fair market rent for a two-bedroom apartment of \$962.00 monthly. A person earning minimum wage must work 100 hours to afford this rent.



## Seniors, veterans, and disabled Alaskans in Ketchikan are at risk of homelessness.

People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent at fair market rate, one-bedroom apartment in Ketchikan.



**38**

The number of school children (K-12) in Ketchikan who were homeless at one time in the 2005-2006 school year.

**20,000**

The number of low-income Alaskans spending over 50% of their income on housing.

**16%**

The percentage of homeless people in Alaska who are victims of domestic violence.

**9%**

The percentage of homeless people in Alaska who are veterans.\*

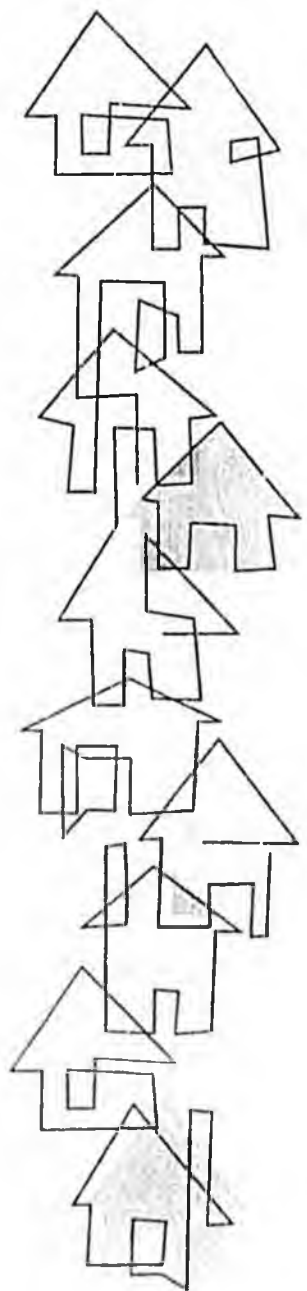


\* Alaska's Housing Trust Fund & Alaska's Housing Trust Fund Development  
 100 W. Housing Trust Fund Community Development Center, 1000 E. 11th, 200,001, State of Alaska, 2006-07  
 \* HUD's National Homelessness Survey, Winter 2004  
 \* HUD's National Homelessness Survey, Winter 2004  
 \* HUD's National Homelessness Survey, Winter 2004  
 \* HUD's National Homelessness Survey, Winter 2004

ALASKA HOUSING TRUST

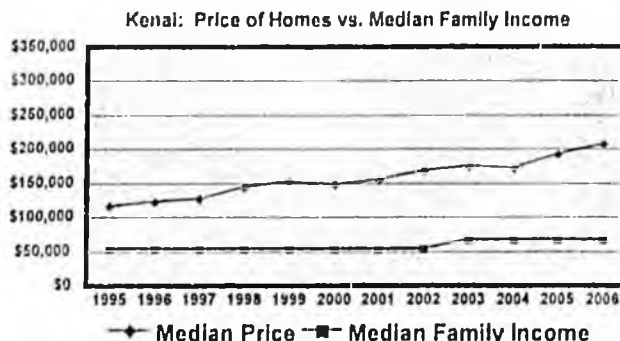


# In Kenai, housing prices have moved out of reach for ordinary people.



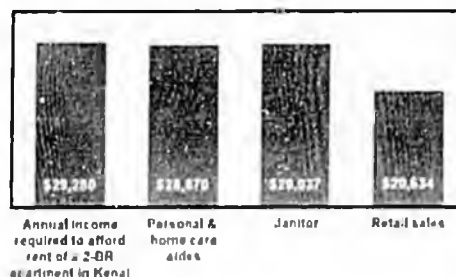
## Working Alaskans in Kenai cannot afford to buy a house.

In the past ten years, the cost of a single family home in Kenai has increased by over 78%, while median family income has increased by only 25%.



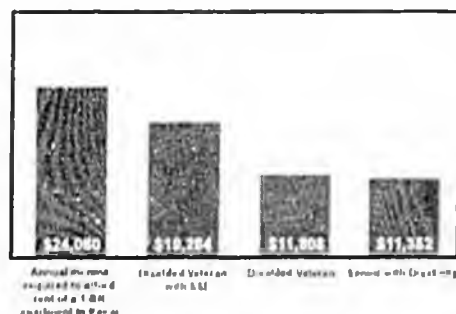
## Working Alaskans in Kenai cannot afford to rent an apartment.

A person living in Kenai must earn \$13.60 per hour to afford the average fair market rent for a two-bedroom apartment of \$732.00 monthly. A person earning minimum wage must work 76 hours to afford this rent.



## Seniors, veterans, and disabled Alaskans in Kenai are at risk of homelessness.

People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent a fair market rate, one-bedroom apartment in Kenai.



**241**

The number of school children (K-12) in Kenai who were homeless at one time in the 2005-2006 school year.<sup>1</sup>

**34**

The number of children in preschool in Kenai who were homeless at one time in the 2005-2006 school year.<sup>2</sup>

**20,000**

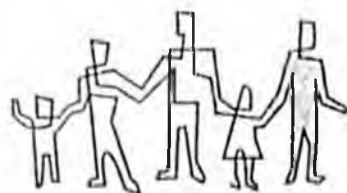
The number of low-income Alaskans spending over 50% of their income on housing.<sup>3</sup>

**16%**

The percentage of homeless people in Alaska who are victims of domestic violence.<sup>4</sup>

**9%**

The percentage of homeless people in Alaska who are veterans.<sup>5</sup>

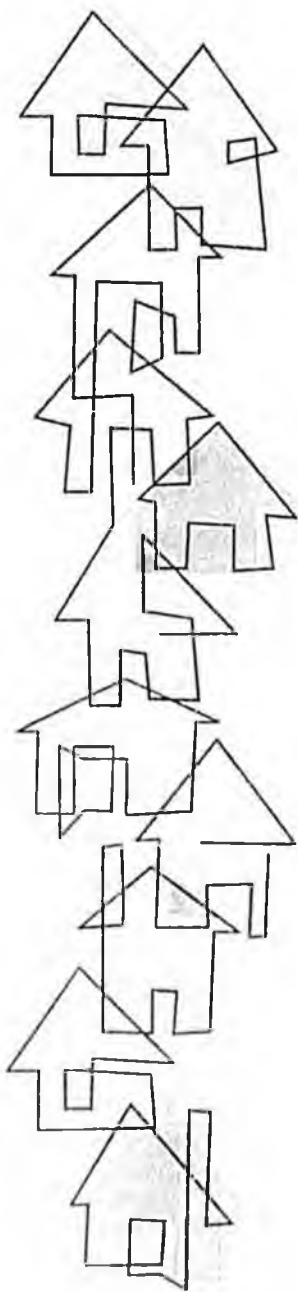


<sup>1</sup> Homeless Counts by District School Year - Alaska Department of Education and Early Development  
<sup>2</sup> Homeless Counts by District School Year - Alaska Department of Education and Early Development  
<sup>3</sup> Alaska Housing and Community Development Consolidated Plan 2003-05, State 5 year HUD Plan 2004-10  
<sup>4</sup> HUD's Statewide Homeless Survey, Winter 2006  
<sup>5</sup> HUD's Statewide Homeless Survey, Winter 2006  
 Data sources: (1) HUD's Statewide Homeless Survey, Alaska Housing Finance Corporation, U.S. Census Bureau, and Alaska Department of Education and Early Development

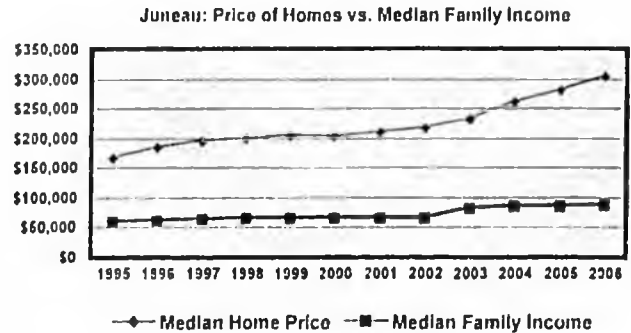
ALASKA HOUSING TRUST



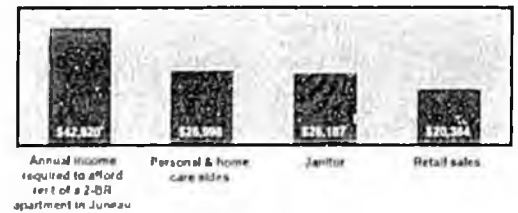
# In Juneau, housing prices have moved out of reach for ordinary people.



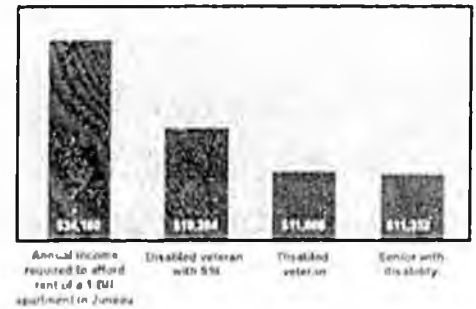
**Working Alaskans in Juneau cannot afford to buy a house.**  
 In the past ten years, the cost of a single family home in Juneau has increased by over 83%, while median family income has increased by only 43%.



**Working Alaskans in Juneau cannot afford to rent.**  
 A person living in Juneau must earn \$20.37 per hour to afford the average fair market rent for a two-bedroom apartment of \$1096.00 monthly. A person earning minimum wage must work 114 hours to afford this rent.



**Seniors, veterans, and disabled Alaskans in Juneau are at risk of homelessness.**  
 People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent a fair market rate, one-bedroom apartment in Juneau.



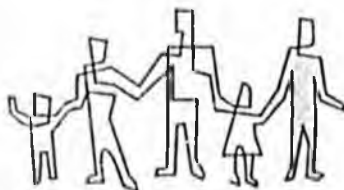
**167**  
 The number of schoolchildren (K-12) in Juneau who were homeless at one time in the 2005-2006 school year.\*

**3**  
 The number of children in preschool in Juneau who were homeless at one time in the 2005-2006 school year.\*

**20,000**  
 The number of low-income Alaskans spending over 50% of their income on housing.†

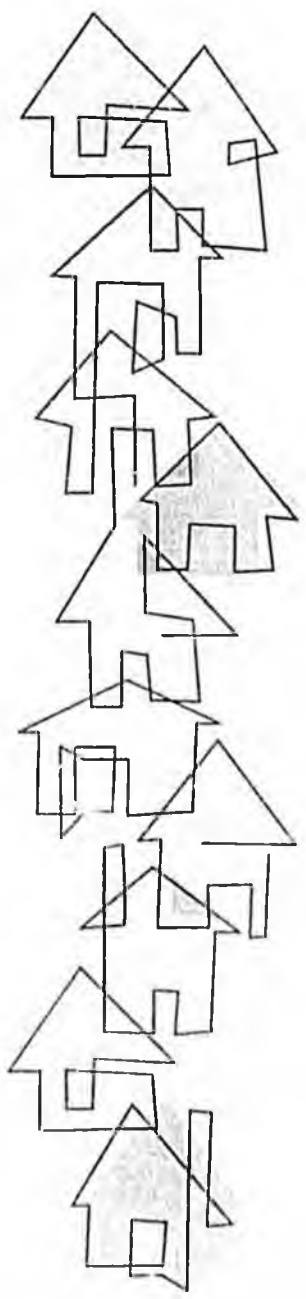
**16%**  
 The percentage of homeless people in Alaska who are victims of domestic violence.‡

**9%**  
 The percentage of homeless people in Alaska who are veterans.‡

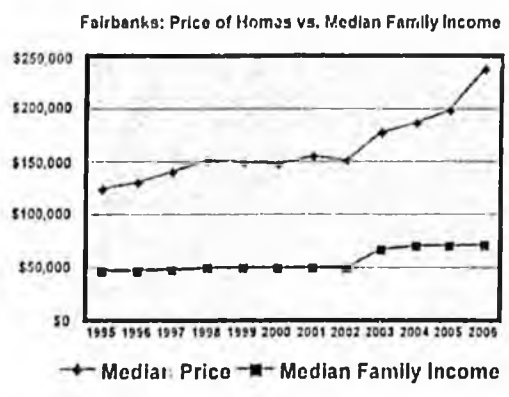


\*Homeless Counts by District & School Year, Alaska Department of Education and Early Childhood Development  
 †Homeless Emergency Shelter & Transitional Housing, Alaska Department of Education and Early Childhood Development  
 ‡Alaska Housing Trust Community Development Corporation, 2004-05 State Survey Report, HUD Housing, 2004  
 ‡AHO's Alaska Homeless Survey, Winter 2006  
 ‡AHO's Alaska Homeless Survey, Winter 2006  
 ‡Homeless Emergency Shelter and Transitional Housing, Alaska Department of Education and Early Childhood Development  
 ‡Alaska Department of Labor and Workforce Development

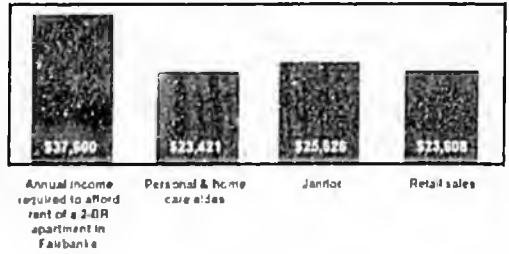
# In Fairbanks, housing prices have moved out of reach for ordinary people.



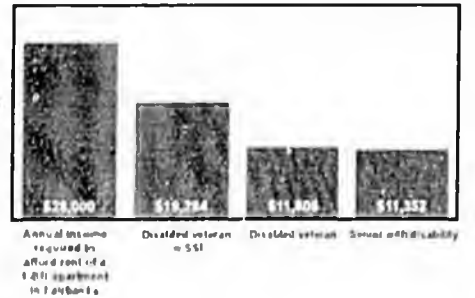
**Working Alaskans in Fairbanks cannot afford to buy a house.**  
 In the past ten years, the cost of a single family home in Fairbanks has increased by over 90%, while median family income has increased by only 52%.



**Working Alaskans in Fairbanks cannot afford to rent an apartment.**  
 A person living in Fairbanks must earn \$15.96 per hour to afford the average fair market rent for a two-bedroom apartment of \$859.00 monthly. A person earning minimum wage must work 39 hours to afford this rent.

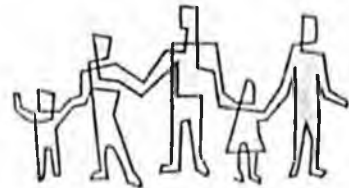


**Seniors, veterans, and disabled Alaskans are at risk of homelessness.**  
 People living on fixed incomes, like seniors, people with disabilities, and veterans, cannot afford to rent a fair market rate, one-bedroom apartment in Fairbanks.



- 333**  
The number of schoolchildren (K-12) in Fairbanks who were homeless at one time in the 2005-2006 school year.<sup>1</sup>
- 10**  
The number of children in preschool in Fairbanks who were homeless at one time in the 2005-2006 school year.<sup>2</sup>
- 20,000**  
The number of low-income Alaskans spending over 50% of their income on housing.<sup>3</sup>
- 16%**  
The percentage of homeless people in Alaska who are victims of domestic violence.<sup>4</sup>
- 9%**  
The percentage of homeless people in Alaska who are veterans.<sup>5</sup>

<sup>1</sup> Homeless Counts by District & School Year, Alaska Department of Education and Early Development  
<sup>2</sup> Homeless Counts by District & School Year, Alaska Department of Education and Early Development  
<sup>3</sup> MHA Housing and Community Development Consolidated Plan 2005-07, State 5 Year HUD Plan 2006-10  
<sup>4</sup> AHFC's Statewide Homeless Survey, Winter 2006  
<sup>5</sup> AHFC's Statewide Homeless Survey, Winter 2006  
 Data on the percentage of homeless people who are veterans from Alaska Housing Finance Corporation (AHFC) Homeless and Alaska Department of Labor and Workforce Development



ALASKA HOUSING TRUST







## ALASKA HOUSING TRUST

*Alaska Housing Trust is able to pursue our goal of preventing and reducing homelessness with the support of our coalition members:*

### AARP

Abused Women Aid in Crisis  
Access Alaska  
Aiding Women in Abuse and Rape Emergencies Inc.  
Akeela Development  
Alaska Bankers Association  
Alaska Coalition on Housing & Homelessness  
Alaska Commission on Faith-Based  
and Community Initiatives  
Alaska Commission on the Aging  
Alaska Office of Long-Term Care Ombudsman  
Alaska Mental Health Trust  
Alaska Network on Domestic Violence &  
Sexual Assault  
Alaska State Independent Living Council  
Alaska State Council, Inc. Vietnam  
Veterans of America  
Alaska Traumatic Brain Injury Network  
Alaska Veterans Foundation  
Alaskan AIDS Assistance Association  
Alaskan Women's Lobby  
Alliance Bible Church  
Anchorage Coalition on Homelessness  
Anchorage Community Mental Health Center  
Anchorage Downtown Partnership, Ltd  
Anchorage Economic Development Corporation  
Anchorage Housing Initiatives  
Anchorage Neighborhood Housing Services  
Association of Alaska Housing Authorities  
Bartlett Regional Hospital, Rainforest Recovery Center  
Bean's Cafe  
Bridge Builders  
Bristol Bay Native Corporation  
Catholic Social Services  
Christian Health Associates  
City and Borough of Juneau Assembly  
Continental Land Investments  
Cook Inlet Housing Authority

### Covenant House Alaska

Fairbanks Neighborhood Housing Services  
First National Bank Alaska  
Gastineau Human Services Corporation  
Glory Hole  
Governor's Council on Disabilities &  
Special Education Commission  
Governor's Council on Homelessness  
Housing First Coalition  
Juneau Affordable Housing Coalition  
Juneau Homeless Coalition  
Juneau Housing Trust  
Love In the Name of Christ  
Lutheran Social Services  
Partners for Progress  
Mat-Su Borough Assembly  
Municipality of Anchorage - Americans with  
Disabilities Act Commission  
Municipality of Anchorage - Housing and  
Neighborhood Development Commission  
Municipality of Anchorage - Senior Citizens  
Advisory Commission  
Native Village of Kwinhagak, Housing Dep't  
Northrim Bank  
Partners for Progress  
Rasmuson Foundation  
RuralCap/Homeward Bound  
Safe Harbour Inn  
Salvation Army  
St. Vincent De Paul  
United Way of Anchorage  
United Way of Juneau  
USDA Rural Development  
Valley Residential Life Services  
Vietnam Veterans of America, Chapter 904  
Volunteers of America  
Wells Fargo Bank  
YWCA

*Opportunity begins with a home*

3745 Community Park Loop, Suite 200, Anchorage, Alaska 99508

Tel: 907 334 2535 Fax: 907 263 7966 Email: [info@alaskahousingtrust.org](mailto:info@alaskahousingtrust.org) [www.alaskahousingtrust.org](http://www.alaskahousingtrust.org)

1 of 2

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## ALASKA COALITION ON HOUSING & HOMELESSNESS

RECEIVED  
FEB 11 2008

February 8, 2008

The Honorable Bert Stedman  
Alaska Senate  
State Capitol, Room 516  
Juneau, AK 99801-1182  
Via fax: 907-465-3922

Re: SB 231

Dear Senator Stedman,

The Alaska Coalition on Housing and Homelessness strongly supports the Alaska Housing Trust in Senate Bill 231. Housing trusts are a proven model, effectively operating in 43 other states today to getting and keeping people housed.

Currently, 4000 Alaska households are on the waiting list for public housing programs, 20,000 low-income Alaskan households spend over 1/2 of their income on housing, placing them at risk for homelessness, and 45% of the homeless sector in Alaska are families with children. Stable and affordable housing is eluding too many Alaskans and the bad consequences to families and communities are too great.

Safe, stable, affordable housing promotes strong families. Home ownership provides a means for families to build assets and become more economically self-sufficient. Families have a foundation to grow their dreams and children are more successful in school. Seniors and persons with disabilities can live independently and with dignity.

Stable homes promote stable communities. When families are invested in neighborhoods, they increase their civic participation, juvenile delinquency rates are reduced, and employment rates are higher.

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PO Box 206562  
Anchorage, AK 99520

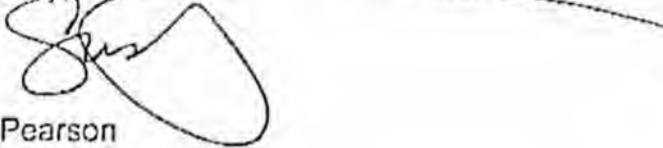
PHONE (907) 743-5726  
FAX (907) 521-1000  
WEB SITE [www.alc.org](http://www.alc.org)

An Alaska Housing Trust provides consistent resources and community collaborations to provide affordable housing and the support systems that keep people housed. Support networks, building up on existing community resources, can assist with basic life skills, like financial literacy and job training, as well as assist people to address underlying problems – disabilities, chronic illness, domestic violence or addiction – all which contribute to repeated experiences of homelessness.

The Alaska Coalition on Housing and Homelessness asks that you take this information into consideration when making a decision as to supporting HB 324 In order to keep Alaskan housed.

Thank you for your consideration of this information on a Housing Trust when making your decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzi", with a long, sweeping horizontal line extending to the right from the end of the signature.

Suzi Pearson  
Chair

**Darwin Peterson**

---

**From:** Mark Romick (mromick@ahfc.state.ak.us)  
**Sent:** Tuesday, March 04, 2008 8:49 AM  
**To:** Darwin Peterson  
**Cc:** Bryan Butcher; jeff@mhtrust.org  
**Subject:** Questions from SB231 Senate Finance Hearing

Here are the responses that are outstanding from the hearing. As you noted, Senator Ellon's concerns have been addressed and we sent the homeless information to John Weise in Senator Hoffman's office. Let Bryan or I know if there are any other questions we need to address.

**Senator Huggins Questions:**

We understand Senator Huggins's concerns regarding the foreclosure intervention option, but we don't believe it would become an issue. Alaska is not experiencing the high level of foreclosures that the rest of the US is facing. Although the economy may not be growing by leaps and bounds, the Dept. of Labor reports it is at the worst, flat. Although the number of foreclosures has increased over the last two years, it is still lower than 2000. If Alaska had a repeat of the 80's, then certainly the number of foreclosure interventions would go up, but the Council would be in a position to limit the use of the fund for this purpose. AHFC and the Council would be very comfortable making these decisions.

If a concern still remains, we could insert language that limited foreclosure assistance (per household) to the equivalent of three month mortgage payments.

AHFC estimates the direct program administrative costs to be no more than 10% of the available fund. AHFC will be assuming many of the administrative cost related to accounting, information services, etc. Direct program costs will include staff salaries and benefits, travel, program monitoring and evaluation, computer equipment, etc.

**Senator Thomas's Comment:**

We believe the Governor's Council and the proposed fund targeted towards addressing affordable housing and homelessness will have a measurable impact. The discussions surrounding the work of the original Council, by itself, produced a number of positive changes including the early application of social security benefits for disabled people leaving correctional institutions. This has increased the success rate for ex-offenders finding a stable place to leave.

SB231 sets up the framework for implementing programs that will impact homelessness. We know from Seattle's experience that an investment in preventing homelessness in 160 chronic inebriates, saved Seattle \$3.2 million dollars. We know from examples in Colorado and New York, that similar savings have occurred from using supportive housing funded by housing trusts. Housing trusts do work and have a measurable impact on homelessness. During the hearing, we talked about the success of the Bridge Home program that has helped mental health trust beneficiaries get stable housing and reduce hospital admissions. The Short Term Housing Assistance program, also funded by the Alaska Mental Health Trust Authority, helped 40 people avoid eviction and foreclosure during 2007, for an average one time investment of \$2,400.

**Senator Stedman Requested Info:**

**SITKA Information on differences between average and median prices.**

February 2008. Source Realtor.com  
 For all properties in the  
 City and Borough of Sitka

Average SFR	460,758
Median SFR	409,250

3/4/2008

Median Condo                    213,313  
 Average Condo                194,000

For AHFC's Loan Portfolio:

## AHFC Loan Activity Average versus Median Sale Prices

City and Borough of Sitka  
 1990 - 2007

<u>Year</u>	<u>Average Sales Price</u>	<u>Median Sales Price</u>
1990	120,087	120,665
1991	125,730	119,364
1992	132,939	128,935
1993	131,130	118,183
1994	123,170	115,571
1995	175,740	144,744
1996	252,918	175,007
1997	193,465	193,636
1998	176,913	136,000
1999	195,142	157,352
2000	225,658	191,992
2001	196,344	175,000
2002	189,057	167,469
2003	222,765	199,503
2004	206,100	200,000
2005	197,373	209,995
2006	278,708	262,000
2007	277,517	264,991
2008	314,987	314,986

The small difference between the average and median for AHFC's portfolio is due to the relatively small number of loans purchased by AHFC in Sitka. This is because AHFC tends to finance first time homebuyers, who are not able to afford the higher priced homes as shown in the Realtor.com information above. That information reflects the market as a whole, not just AHFC's portfolio.

Mark Romick  
 Director, Planning and Program Development  
 907-330-8274 (VC)  
 907-338-2585 (FAX)

mromick@ahfc.state.ak.us

**SB**

**231**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/6/08

FURTHER:

DATE TURNED IN TO OFFICE: 4-7-08

Finance Committee considered SENATE BILL NO. 231

## SB 231 LOW-INCOME HOUSING; HOMELESSNESS

"An Act relating to the Alaska housing trust fund and to the Alaska Council on the Homeless; and providing for an effective date."

and recommends:

- be replaced with  SCS or  CS SB 231 (HES)
- adopt previous  SCS or  CS \_\_\_\_\_
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

<b>SENATE BILL:</b>	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
<b>HOUSE BILL:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
REV	2/18/08	✓			

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
DPS	1/4/08			✓	2
HES	12/20/07			✓	3
COR	12/20/07			✓	4

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elton	✓			
	Thomas	✓			
	Dyson	✓			
	Huggins	✓			
	Olson			✓	
CO-CHAIR:	Hoffman	✓			
CO-CHAIR:	Steinhilber			✓	

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: CS SB 231 (HESS)  
( ) Publish Date: \_\_\_\_\_

Identifier (file name): 0006-DOR-AHFC-2-18-08 Dept. Affected: Revenue 04  
Title: Alaska Housing Trust Fund RDU: Alaska Housing Finance Corp.  
Sponsor: Governor Component: \_\_\_\_\_  
Requester: Governor Component Number: 110

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>10,000.0</b>	<b>10,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>								

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts	0.0						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

### POSITIONS

Full-time	0.0						
Part-time	0.0						
Temporary	0.0						

**ANALYSIS:** *(Attach a separate page if necessary)*  
There is a zero fiscal note attached to this legislation. The cost of administering the housing trust fund and supporting the Governor's Council will be covered by the capital appropriation (not to exceed 10%) and AHFC's existing operating budget. Administrative costs will include: staff salaries and benefits, travel and training, supplies and materials, and consulting costs. This level of funding will be sufficient to administer the housing trust fund and the Governor's Council.

Prepared by: Bryan Butcher Phone 330-8445  
Division: Alaska Housing Finance Corporation Date/Time 2/18/08 2:00 PM  
Approved by: \_\_\_\_\_ Date \_\_\_\_\_

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DPS-CO-1-04-08 Dept. Affected: Public Safety  
Title: "An Act relating to the Alaska housing trust fund..." RDU: Statewide Support  
Sponsor: Rules Committee Component: Commissioner's Office  
Requester: Rules Committee Component Number: 523

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This bill creates a fund to address the needs of Alaska's homeless population. This bill also establishes the Alaska Council on the Homeless with the commissioner of public safety as a member. This bill will have no financial impact on the Department of Public Safety.

Prepared by: Lauren Rico  
Division: Statewide Support  
Approved by: Wall Monegan, Commissioner  
Department of Public Safety

Phone: 269-5591  
Date/Time: 1/4/08 12:00 PM  
Date: 1/4/2008

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 3  
 Bill Version: SB 231  
 (S) Publish Date: 1/18/08  
 Dept. Affected: Health & Social Services  
 RDU: Departmental Support Services  
 Component: Off Faith-Based & Community Initiatives

ID(File name) 0006-DHSS-FBCI-12-26-07  
 Title ALASKA HOUSING TRUST FUND  
 Sponsor (RLS) BY REQUEST OF THE GOVERNOR  
 Requester GOVERNOR

Component No. 2849

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation		Information				
	Required						
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>							
<b>CHANGE IN REVENUES (0)</b>							

**FUND SOURCE** (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1037 GF/Mental Health							
Other(Specify Type-do not abbreviate)							
Other(Specify Type-do not abbreviate)							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This legislation establishes the Alaska Housing Trust Fund within the Alaska Housing Finance Corporation. The Housing Trust will serve as a financial structure for receiving money to address the needs of Alaska's homeless and will provide authority to give financial assistance to promote the creation and retention of an adequate supply of affordable housing for low income people. The Governor's FY09 Capital budget includes a request of \$10 million to the Department of Revenue/Alaska Housing Finance Corporation for the Housing Trust.

In addition to the Housing Trust, this legislation creates an advisory council that includes the Commissioner of the Department of Health and Social Services. This legislation has no known fiscal impact to DHSS at this time.

Prepared by: Bill Hogan, Deputy Commissioner  
 Division: Office of the Commissioner  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone: 465-3030  
 Date/Time: 12/26/2007  
 Date: 12/26/2007

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 4  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DOC-OC-12-20-07 Dept. Affected: Corrections  
Title "Alaska housing trust fund and to the Alaska Council RDU Administration and Operations  
on the Homeless ..." Component Office of the Commissioner  
Sponsor Rules Committee  
Requester Governor Component Number 694

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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	FUND SOURCE (Thousands of Dollars)						
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

POSITIONS								
Full-time	0	0	0	0	0	0	0	0
Part-time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

**ANALYSIS:** *(Attach a separate page if necessary)*

Passage of this legislation should have no fiscal impact on the Department of Corrections.

Prepared by: Sharleen Griffin, Director Phone (907) 465-3339  
Division Administrative Services Date/Time 12/20/07 1:55 PM  
Approved by: Dwayne Peoples, Deputy Commissioner Date 12/20/2007  
Department of Corrections

Jane Pearson

Jane \_\_\_\_\_

4-7-08

Chair Stedman and committee members for the record my name is ~~Patty Krueger~~ and I am staff to Representative Ramras. I thank the committee members for the opportunity to present HB 319

- Oral health plays a key role in overall health. Unfortunately not all Alaskan's enjoy good dental health due to geographical barriers, cost of dental care and limitations on dental personnel.
- HB 319 follows the provisions allowing for expanded duties of dental hygienist and dental assistants improving access to dental care and reducing costs for dental care.
- With expanded duties, dental hygienist, dental assistants and dentists can provide greater access and more costs effective care.
- This bill specifically lays the framework for expanding dental assistant's duties for two specific procedures. It would allow a certified dental assistant, under a dentist's direct supervision to place fillings into a cavity prepared by a licensed dentist. And allows a certified dental assistant, under a dentist's direct supervision, to polish teeth that are already clean of tarter. These expanded duties are already permitted in 36 other states.
- Includes under a dental hygienists' scope of practice the ability to obtain a restorative function endorsement permitting placement of a filling into a cavity prepared by a licensed dentist and perform the activities authorized under a collaborative agreement with licensed dentist.
- Authorizes a licensed dental hygienist to administer local anesthetic agents under the general supervision of a licensed dentist. 16 other states have variations of these provisions in place.
- Authorizes the Dental Board to approve a collaborative agreement between a licensed dentist and a licensed dental hygienist and specifies the services and procedures allowed under a collaborative agreement.
- Applies supervision requirements to a dental hygienist operation in conjunction with a licensed dentist under a collaborative agreement.
- Dental assistants who perform expanded duties of packing cavities or polishing teeth will have to pass a training program and an exam prior to becoming eligible for certification by the Alaska Dental Board. Furthermore, the supervising dentist must personally authorize the procedure and examine the patient afterwards.

- This bill is supported by the Alaska Dental Society, Alaska Board of Dental Examiners, Alaska State Dental Hygienist Association, Alaska Dental Outreach Consortium and the Alaska Native Tribal Health Consortium.
- Oral health plays a key role in overall health. Untreated dental problems can cause pain, affect nutrition, and influence quality of life. Good dental health contributes to a healthy lifestyle and promotes good self esteem. Unfortunately, not all Alaskan's enjoy good dental health due to limitations on dental personnel, geographical barriers, fear of dental treatment, and cost of dental care. This bill will increase the efficiency of delivering dental while upholding the quality of that care.
- HB 319 meets the goals of the preliminary report for the Governor's Health Care Strategies Planning Council.
- I thank the committee for hearing this bill and appreciate their support for this legislation. IF the committee has any question I will be happy to answer them.
- 
- Dr Dave Logan Alaska Dental Society
- Dave Eichler Alaska Dental Board
- Pete Higgins
- 
- Gail Walden AK State Dental Hygienist Association Wasilla LIO
- Royann Royer – will call in via the offnet number
- Dr. Glenn Martin – will call in via the offnet number

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DPS-CO-1-04-08 Dept. Affected: Public Safety  
Title: "An Act relating to the Alaska housing trust fund..." RDU: Statewide Support  
Component: Commissioner's Office  
Sponsor: Rules Committee  
Requester: Rules Committee Component Number: 523

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

**ANALYSIS:** (Attach a separate page if necessary)

This bill creates a fund to address the needs of Alaska's homeless population. This bill also establishes the Alaska Council on the Homeless with the commissioner of public safety as a member. This bill will have no financial impact on the Department of Public Safety.

Prepared by: Lauren Rico  
Division: Statewide Support  
Approved by: Walt Monogan, Commissioner  
Department of Public Safety

Phone: 269-5591  
Date/Time: 1/1/08 12:00 PM  
Date: 1/1/2008

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 3  
 Bill Version: SB 231  
 (S) Publish Date: 1/18/08  
 Dept. Affected: Health & Social Services  
 RDU: Departmental Support Services  
 Component: Off Faith-Based & Community Initiatives

ID (File name) 0006-DHSS-FBCI-12-26-07  
 Title ALASKA HOUSING TRUST FUND

Sponsor (RLS) BY REQUEST OF THE GOVERNOR  
 Requester GOVERNOR Component No. 2849

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation		Information				
	Required						
OPERATING EXPENDITURES	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>							
<b>CHANGE IN REVENUES (0)</b>							

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1037 GF/Mental Health							
Other (Specify Type-do not abbreviate)							
Other (Specify Type-do not abbreviate)							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This legislation establishes the Alaska Housing Trust Fund within the Alaska Housing Finance Corporation. The Housing Trust will serve as a financial structure for receiving money to address the needs of Alaska's homeless and will provide authority to give financial assistance to promote the creation and retention of an adequate supply of affordable housing for low income people. The Governor's FY09 Capital budget includes a request of \$10 million to the Department of Revenue/Alaska Housing Finance Corporation for the Housing Trust.

In addition to the Housing Trust, this legislation creates an advisory council that includes the Commissioner of the Department of Health and Social Services. This legislation has no known fiscal impact to DHSS at this time.

Prepared by: Bill Hogan, Deputy Commissioner Phone 465-3030  
 Division Office of the Commissioner Date/Time 12/26/2007  
 Approved by: Karleen Jackson, Commissioner Date 12/26/2007  
 Agency Department of Health and Social Services

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 4  
Bill Version: SB 231  
(S) Publish Date: 1/18/08

Identifier (file name): 0006-DOC-OC-12-20-07 Dept. Affected: Corrections  
Title: "Alaska housing trust fund and to the Alaska Council  
on the Homeless ..." RDU: Administration and Operations  
Sponsor: Rules Committee Component: Office of the Commissioner  
Requester: Governor Component Number: 694

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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FUND SOURCE		(Thousands of Dollars)					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Estimate of any current year (FY2008) cost: 0.0

**POSITIONS**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

Passage of this legislation should have no fiscal impact on the Department of Corrections.

Prepared by: Sharleen Griffin, Director  
Division: Administrative Services  
Approved by: Dwayne Peoples, Deputy Commissioner  
Department of Corrections

Phone: (907) 465-3339  
Date/Time: 12/20/07 1:55 PM  
Date: 12/20/2007

4-7-08

## Darwin Peterson

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**From:** Mark Romick [mromick@ahfc.state.ak.us]  
**Sent:** Tuesday, March 04, 2008 9:49 AM  
**To:** Darwin Peterson  
**Cc:** Bryan Butcher; jeff@mhtrust.org  
**Subject:** Questions from SB231 Senate Finance Hearing

Here are the responses that are outstanding from the hearing. As you noted, Senator Elton's concerns have been addressed and we sent the homeless information to John Weise in Senator Hoffman's office. Let Bryan or I know if there are any other questions we need to address.

### Senator Huggins Questions:

We understand Senator Huggins's concerns regarding the foreclosure intervention option, but we don't believe it would become an issue. Alaska is not experiencing the high level of foreclosures that the rest of the US is facing. Although the economy may not be growing by leaps and bounds, the Dept. of Labor reports it is at the worst, flat. Although the number of foreclosures has increased over the last two years, it is still lower than 2000. If Alaska had a repeat of the 80's, then certainly the number of foreclosure interventions would go up, but the Council would be in a position to limit the use of the fund for this purpose. AHFC and the Council would be very comfortable making these decisions.

If a concern still remains, we could insert language that limited foreclosure assistance (per household) to the equivalent of three month mortgage payments.

AHFC estimates the direct program administrative costs to be no more than 10% of the available fund. AHFC will be assuming many of the administrative cost related to accounting, information services, etc. Direct program costs will include staff salaries and benefits, travel, program monitoring and evaluation, computer equipment, etc.

### Senator Thomas's Comment:

We believe the Governor's Council and the proposed fund targeted towards addressing affordable housing and homelessness will have a measurable impact. The discussions surrounding the work of the original Council, by itself, produced a number of positive changes including the early application of social security benefits for disabled people leaving correctional institutions. This has increased the success rate for ex-offenders finding a stable place to leave.

SB231 sets up the framework for implementing programs that will impact homelessness. We know from Seattle's experience that an investment in preventing homelessness in 160 chronic inebriates, saved Seattle \$3.2 million dollars. We know from examples in Colorado and New York, that similar savings have occurred from using supportive housing funded by housing trusts. Housing trusts do work and have a measurable impact on homelessness. During the hearing, we talked about the success of the Bridge Home program that has helped mental health trust beneficiaries get stable housing and reduce hospital admissions. The Short Term Housing Assistance program, also funded by the Alaska Mental Health Trust Authority, helped 40 people avoid eviction and foreclosure during 2007, for an average one time investment of \$2,400.

### Senator Stedman Requested Info:

#### SITKA Information on differences between average and median prices.

February 2008: Source Realtor.com  
 For all properties in the  
 City and Borough of Sitka

Average SFR	460,758
Median SFR	409,250

Median Condo                    213,313  
 Average Condo                 194,000

For AHFC's Loan Portfolio:

## AHFC Loan Activity Average versus Median Sale Prices

City and Borough of Sitka  
 1990 - 2007

<u>Year</u>	<u>Average Sales Price</u>	<u>Median Sales Price</u>
1990	120,087	120,665
1991	125,730	119,364
1992	132,939	128,935
1993	131,130	118,183
1994	123,170	115,571
1995	175,740	144,744
1996	252,918	175,007
1997	193,465	193,636
1998	176,913	136,000
1999	195,142	157,352
2000	225,658	191,992
2001	196,344	175,000
2002	189,057	167,469
2003	222,765	199,503
2004	206,100	200,000
2005	197,373	209,995
2006	278,708	262,000
2007	277,517	264,991
2008	314,987	314,986

The small difference between the average and median for AHFC's portfolio is due to the relatively small number of loans purchased by AHFC in Sitka. This is because AHFC tends to finance first time homebuyers, who are not able to afford the higher priced homes as shown in the Realtor.com information above. That information reflects the market as a whole, not just AHFC's portfolio.

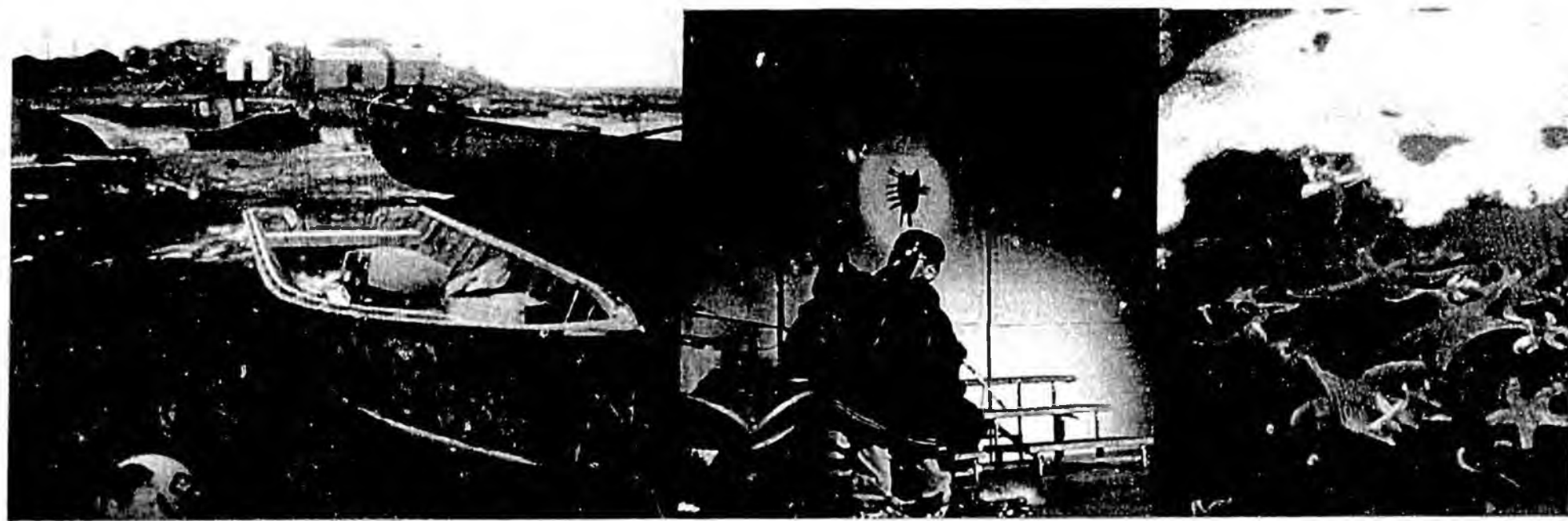
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# 2005 Housing Assessment

## Findings Statewide & for Calista Region



# Calista Region Characteristics



- People live in the same community for a long time
- Low rate of college completion
- Low income
  - 18.6% of households bring in less than \$10,000 per year
  - 43.4% of households bring in \$10,000 to \$30,000
  - 62% of households have income of \$30,000 or less
- High subsistence activity – 84.5% of respondents



# Calista Construction Costs

Construction Cost Estimation – based on end of year 2004

Statewide average cost estimated \$168,033 per unit, \$204,157 per single family unit

Transportation Index:

- AHFC Transportation Index Value Applied to Bethel CA
- Index based on AVCP info applied to Wade-Hampton CA
- The cost construct units in these two census areas was averaged to reach a value for the Calista region

\$24,000 shipping cost for each housing unit

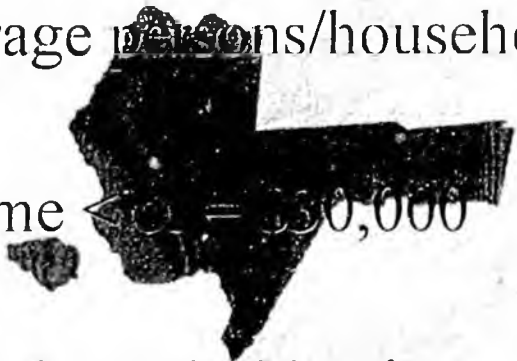
Estimated average cost to build a new housing unit in the Calista Region \$304,392 – this is the value used in generating cost estimates

# Calista Housing Characteristics

- Estimated number of households in 2005 = 7,536
- Number of households counted in 2000 census = 7,238
- In 2005 there were an estimated 4.95 residents per households
- Median of 212 sf per resident
- Slightly more than 1 in 10 houses in the region are 500 sf or smaller
- More than half less than 1,000 sf




# How different is Calista Region?



	Statewide	Calista
• 2000 Population	626,932	23,034
• Average persons/household	2.4	4.95
• Income < \$30,000	34 %	62 %
• Mean household unit	1,507 sq ft	1,048
• Median household unit	1,300 sq ft	1,000

# How different is Calista Region?



	Statewide	Calista
• Mean sq ft per resident	634	300
• Median sq ft per resident	500	212
• No running water	10 %	33 %
• Drafty	45 %	75 %

# Calista Region Housing Condition

- 53% of respondents reported some ice build-up on the inside of their homes
- 48% of respondents reported some mold or mildew on the inside of their home
- 85% of respondents reported having double pane windows in their home
- 92% of respondents report heating with oil or diesel
- 69% of respondents indicate that the homes in which they live are “in good shape” or “in need of repair but manageable”

# Positive Change

- Estimated 298 new housing units between 2000 and 2005
- In 1991 nearly half of all homes had 150 square feet or less per resident
- In 2005, that number has decreased to just over 30 percent
- The number of homes with more than 300 square feet per resident increased from 20 to 34 percent between 1991 and 2005
- Lowest rent reported in the state – average \$466 per month

# Need and Challenges

- Total new units needed - 3,581
- Private housing market does not fill need
  - High cost building
  - Low wage earnings
- The average cost to build a new home in excess of \$300,000 per unit
- Total estimated cost - \$1,134.8 million



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## SPONSOR STATEMENT

### Senate Bill 231

**“An Act relating to the Alaska housing trust fund and to the Alaska Council on the Homeless; and providing for an effective date.”**

SB 231 will create a housing trust fund within the Alaska Housing Finance Corporation (AHFC) to address the problems of homelessness in the State of Alaska. It will increase AHFC’s flexibility in addressing long term solutions to homelessness. SB 231 will also codify the role of the Governor’s Council on the Homeless, which has been operating under Administrative Order. This bill is the culmination of many years of work by several statewide advocacy groups and one of the main recommendations of the Governor’s Council on the Homeless, a cabinet level advisory group.

Homelessness is one of the most important social issues facing Alaska.

- 3,500 Alaskans are homeless on any given night, including 1,600 people in families with children.
- 4,000 Alaskan households are on the waiting list for public housing programs – most are families with children.
- 20,000 low-income Alaska households spend more than half their income on housing, placing them at risk of homelessness.

The development of housing alone is not enough to provide permanent solutions to homelessness. People who are homeless, or at risk of being homeless, frequently need supportive services to be successful, such as: treatment, crisis intervention, tenant education, financial literacy, job counseling, and life-skills training.

There are high personal and financial costs associated with the homeless and families at-risk of being homeless.

- Personal costs to individuals and families include a higher risk of crime victimization, increased medical and behavioral health needs, and lower student achievement
- Financial costs to local governments and the State include increased use of emergency services, medical and behavioral health services, public safety and the courts.

Placing a housing trust within AHFC expands the services of the State without expanding government’s size. SB324 will give AHFC and its partners the flexibility to address homelessness in Alaska. Housing trusts are a proven nationwide model.

- There are 600 housing trust funds operating nationwide.



- They generate more than \$1.6 billion a year to support critical housing needs and affordable housing across the U.S.
- On average, each \$1 spent by a housing trust fund leverages \$7 in other funds.

The Governor's proposed FY09 capital budget includes a \$10 million request for the establishment of the housing trust fund. This \$10 million is made up of funds from four different sources: \$2.5 million each from the AHFC dividend, Mental Health Trust Authority receipts, state general funds and contributions from other private sources.

