

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILE 8672

1611 SCOMM 60, HOUSING FINANCE TASK FORCE, 1989

be established. This corporation will have 501c3 tax-exempt status. The Trust will assume management and control of the Panoramic View Apartments. The Trust is a non-profit corporation and Mr. Coney will receive no benefit.

The managers of the property have received a rental rehabilitation loan from the Municipality of Anchorage to renovate some of the apartments. They are also participating in the Municipality's weatherization project. Some apartments will be available for Section 8 tenants. They have received Community Development Block Grant funds to create a rent subsidy program for low-income tenants.

They have also applied to ASHA for the federal Low Income Tax Credit.

The land under the project is owned by the Alaska Railroad. Mr. Coney stated that the Railroad has been unsympathetic to the attempts of management to pay a more reasonable rental rate on the land.

Management has discussed with the Railroad the possibility of trading the property with Municipal or Native Corporation land. The Municipality has not shown interest in pursuing this issue.

Ms. Parker stated that she believes this deal should be completed. There has already been, approximately, a \$1 million subsidy into the project. The adjacent municipal land (under the Hollywood Vista Apartments) should be traded to the Railroad.

Mr. Arwezon suggested that perhaps the Committee should draft a resolution to send to the Council and legislators, supporting such a trade.

STAFF PRESENTATIONS

Ms. Straube gave a presentation on the Housing Finance Task Force. She said the task force has commissioned a report on housing finance in the state. The report won't be completed until the legislative session in 1990. She added that the consultant could possibly examine the social implications of various financing programs, in addition to the financial aspects. She will keep the Committee informed of the progress of the task force.

Ms. Straube and Ms. Arnett discussed the subcommittee's drafting of action recommendations. They stated that they must meet the "SPAMO" test, meaning they should be: specific, pertinent, attainable, measurable and observable.

The subcommittees then met for a few moments and adjourned for lunch at 12:00 noon.

ALASKA HOUSING MARKET COUNCIL
HOUSING POLICY DEVELOPMENT COMMITTEE

Low Income, Affordable, Senior Housing Subcommittee
Minutes

September 8 - 9, 1989
Sheraton Anchorage Hotel
Anchorage, Alaska

CALL TO ORDER

The meeting was called to order at 1:45 P.M. (Sept. 8) by Chair Paul Carr.

The following members were present:

Paul Carr, Carr-Gottstein Properties, Anchorage
Bob Arwezon, Real Estate Broker, Anchorage
Barbara Chmiel, Housing Services, Municipality of Anchorage
Kelly Gunnels, Denali State Bank, Fairbanks
Cynthia Parker, Anchorage Neighborhood Housing Services
Jesse Bartlett, ASHA, Anchorage
Leo Kaye, Wasilla Senior Citizens Advisory Board

Staff Present:

Mark Romick

APPROVAL OF MINUTES

The minutes for the July 14, 1989 subcommittee meeting were approved without objections. Mr. Carr made the motion which was seconded by Ms. Parker.

The focus of this meeting was to review and revise the action plans of the full HPDC. The changes suggested by this committee are summarized below.

POLICY STATEMENT #1

There were no changes suggested by the committee.

POLICY STATEMENT #2

Action Plan #1:

The committee suggested that the task force that was created in action plan #1., also be asked to address bldg. codes.

add "housing & construction" after "Department of Environmental Conservation's"

POLICY STATEMENT #3

Action Plan #3:

The committee voted to remove this action plan because it felt that most governments already have this ability under current municipal ordinances. It may be possible to include this in the policy statement.

POLICY STATEMENT #4

Action Plan #3:

Add an action plan:

"An educational program should be developed through state agencies and the secondary market to encourage funding of applications for qualified low income/affordable housing projects."

Action Plan #4:

Take out "directly" and add "through normal seller/servicer arrangements" at the end of the sentence.

POLICY STATEMENT #5

Action Plan #2:

Take out "also if needed". Move second sentence to policy statement #12, because it should apply to all HUD programs not just transitional housing.

Action Plan #3:

Remove

Action Plan #5:

Remove

Action Plan #7:

Not specific - not SPAMO.

Action Plans 8 - 18:

Make one action plan (#8) identifying the groups in 8, 10 - 17 has letters. For example, 8a, 8b, 8c, - 8j.

Action Plan #20:

Remove

Action Plan #21:

Remove

POLICY STATEMENT #6

Action Plan #1:

Make this a finding of the report, not an action plan.

Action Plan #2:

Make this #1, and add the word "annually" after "should identify".

POLICY STATEMENT #7

Action Plan #1:

Not specific enough. Change "should approve...." to "should develop/adopt accepted industry lending standards".

Action Plan #2:

Not specific enough.

Action Plan #4:

Discuss with full committee, #2 and #4 are in conflict.

Action Plan #5:

Ms. Gunnels suggested that this action plan should include some statement about the borrowers ability to refinance their loans, under state loan programs, with a servicer in Alaska.

POLICY STATEMENT #9

Action Plan #1:

Remove and add to AP #2.

Action Plan #2:

Make Action plan #1 and add "and secondary market mortgage investors" after "in Alaska,".

Action Plan #3:

Make action plan #2 and substitute "direct economic assistance" for "subsidize interest rates".

The committee adjourned at 5:25 p.m.

The committee reconvened at 10:00 a.m. on Saturday, September 9, 1989.

The following members were present:

Cynthia Parker, Anchorage Neighborhood Housing Services
Howard Bess, Alaska Housing Ministries, Anchorage
Bob Arwezon, Real Estate Broker, Anchorage
Jesse Bartlett, Alaska State Housing Authority, Anchorage

Staff Present:

Mark Romick

POLICY STATEMENT #10

Action Plan #1:

Add a sentence to include ASHA in the provision of affordable rental housing.

POLICY STATEMENT #11

Action Plan #3:

The committee felt that "guarantee loans" was not appropriate. The state should not "guarantee loans", but facilitate the financing.

POLICY STATEMENT #12

Add "and capital" after "sources of revenue" in the policy statement.

Action Plan #3:

Remove

Action Plan #4:

Remove

Action Plan #8:

Add "and non-profit" after "regional housing authorities".

Substitute "Resolution Trust Program" for "new national FSLIC program".

POLICY STATEMENT #13

Action Plan #1:

Add "and an appeals process" after "amendments".

Action Plan #2:

Add "and bonding" after "contractor licensing".

Action Plan #3:

Remove

Action Plan #4:

Add reference to state programs like the Alaska Craftsman Home Program.

Action Plan #5:

Reword so sentence is positive. However, it should retain the concept that the state will not finance new housing that does not meet current building and construction codes or regulations.

ALASKA HOUSING MARKET COUNCIL
Housing Policy Development Committee

Transitional and Long Term Housing for Special Needs Subcommittee

September 8, 1989

MEETING MINUTES
Suite 303, Anchorage Sheraton Hotel
Anchorage

CALL TO ORDER

The meeting was called to order by acting Chair Fred Ali at 1:30 p.m.

The following members were present:

Fred Ali, Covenant House
Stan Hoofard, Municipality of Anchorage
Sharon Araj, University of Alaska, Anchorage
Jeri Swenson, Division of Mental Health
Nancy Adams, Juneau Alliance for the Mentally Ill
Kay Brown, State Representative

Staff Present:

Brenda Glaze

APPROVAL OF AGENDA

Without objection, the agenda was unanimously approved.

APPROVAL OF MINUTES

The minutes from the June 24, 1989 subcommittee meeting were unanimously approved.

Acting Chair Fred Ali gave a short presentation to the subcommittee, explaining that they needed to review the "Draft Action Plans" and make changes as needed at this meeting.

REVIEW OF DRAFT ACTION PLANS

Policy Statement #1

The subcommittee adopted the Housing Commission structure recommended by Kay Brown. This Housing Commission would administer all agencies and programs.

The subcommittee added under "Action Plan #1": The board of ASHA

and AHFC would be eliminated and the executive directors of those agencies would serve as advisors and at the pleasure of the Housing Commission. The Commission would consist of 10 members. One commissioner from DCRA and the Dept. of Revenue, and 8 public members.

The subcommittee inserted a new #3 under "Action Plan #2": Staffing for the commission shall come from existing state agencies and funding from existing agencies' resources.

The subcommittee rewrote "Action Plan #4": The Commission shall be the designated state agency to review housing needs and request funds for housing and designate recipients throughout the state.

The subcommittee rewrote "Action Plan #5": The Commission shall be charged with state agency housing program review, coordination and oversight. All new or amended housing or mortgage loan regulations must be approved by the Commission to ensure that they conform to the intent of the state housing policy. The Commission shall direct the activities of the Alaska Housing Finance Corporation, the Alaska State Housing Authority, and the housing programs within the Department of Community and Regional Affairs.

The subcommittee rewrote "Action Plan #6": The Commission shall be charged with writing a long term housing plan for the state and updating the plan periodically. State agencies, including the Alaska Housing Finance Corporation, the Alaska State Housing Authority, the Department of Community and Regional Affairs, the Division of Mental Health & Developmental Disabilities, the Division of Alcoholism and Drug Abuse, and the Council on Domestic Violence & Sexual Assault, shall advise the Housing Commission of housing needs within their area of responsibility.

The subcommittee rewrote "Action Plan #8": The Commission shall review housing regulations of the agencies under its jurisdiction, and advise where appropriate to eliminate conflict and duplication.

The subcommittee rewrote "Action Plan #9": The Commission shall review the use of and disposition of state agency-owned foreclosed properties and shall provide information to interested parties regarding available properties. The Commission may direct AHFC and encourage banks and secondary institutions to donate foreclosed properties for use as transitional and long term special needs facilities and senior housing where appropriate.

Policy Statement #2

The subcommittee did not understand Action Plan #1 and #2. They

decided to discuss these items with the full committee at the next meeting.

Policy Statement #3

The subcommittee reworded Policy Statement #3: It is the policy of the State of Alaska to encourage communities to take an active role in housing issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand.

The subcommittee reworded "Action Plan #1,2, and 3": Thru DCRA local government shall be encouraged to do the following.

- . include a housing plan as part of their comprehensive planning process.
- . revise zoning laws to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities.
- . review and revise zoning requirements to facilitate establishment of transitional group housing.

Policy Statement #4

The subcommittee's only comment was it wanted non-profits to be able to participate in any type of subsidy program.

Policy Statement #5

The subcommittee agreed to delete "Action Plans" # 3, 20 and 21.

The subcommittee reworded "Action Plan #4": State programs that provide temporary housing and services to Rural Alaskans who must come to regional centers for medical or other treatment should be adequately funded.

The subcommittee agreed to group together "Action Plans" # 1, 2, 5, 18 and 19. The Housing Commission should be given the responsibility to prioritize, review and seek funding for the above listed "Action Plans".

Policy Statement #11

The subcommittee reworded the policy statement: It is the policy of the State of Alaska to recognize that Senior Alaskans should have access to affordable housing.

Policy Statement #12

The subcommittee reworded "Action Plan #3": State regulations should be changed so that grant monies can be used to pay non-profits for mortgage loans.

The subcommittee reworded "Action Plan #4": State resources should be available to meet essential housing services, i.e. permanent fund, income tax, state sales tax.

Policy Statement #13

The subcommittee decided to delete "Action Plan #3".

The acting Chair adjourned the meeting at 4:30 p.m.

ALASKA HOUSING MARKET COUNCIL
Housing Policy Development Committee
Urban and Rural Housing Markets Subcommittee

September 8, 1989

MEETING MINUTES
Sheraton Anchorage Hotel, Room 301

CALL TO ORDER

The meeting was called to order at 1:00 p.m. by Chair Bill Swain.

The following members were present:

Bill Swain, Jack White Co.
Rick Barrier, Malaspina Properties
Mike Harper, DCRA
Sam Helms, Public Member
Rep. Steve Rieger, State Representative

Staff Present:

Heather Arnett

REVIEW OF DRAFT ACTION PLANS

Mr. Swain reviewed with subcommittee members what they needed to accomplish. He stated that they needed to make recommendations on new action plans and propose changes to existing plans.

The subcommittee reviewed the Mission Statement, Policy Statements, and Action Plans and proposed the following changes:

Amend Mission Statement to read:

SAFE, SANITARY, AND ENERGY EFFICIENT LIVING CONDITIONS SHOULD BE AVAILABLE TO ALL CITIZENS OF THE STATE.

(The subcommittee concluded that the issue of energy efficient housing was extremely important, particularly in Rural Alaska).

Policy Statement #2:

Change to Action Plan #1:

State agencies with regulations pertaining to housing standards should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented.

Policy Statement #7:

Action Plan #4:

Subcommittee does not support the state implementing a downpayment and closing cost program.

Action Plan #5:

Subcommittee was confused as to what this recommendation means (deals with AHFC pooling VA and FHA loans).

New Action Plan to read:

There should be greater disclosure to borrowers that mortgage loan servicing can be sold to another institution, unless specified otherwise in the loan servicing agreement.

Greater penalties and clearer recourse shall occur in the case of faulty loan servicing (application of mortgage proceeds, payment of taxes or insurance).

Policy Statement #9

Change to read:

It is the policy of the State of Alaska to minimize direct involvement of state government in the secondary mortgage market, with the primary exception of accessing capital markets in order to finance the state's housing needs, which include, but aren't limited to, low to moderate-income housing, rural housing, and transitional housing.

New action plan to read:

Where state agencies can access materially lower cost capital from secondary market mortgage lenders, than funds available in the private sector, this may be done and the lower interest rates should be passed through to the public.

Policy Statement #12

Change to read:

It is the policy of the State of Alaska to develop and maintain stable sources of capital to support housing needs in the state.

Change to action plan #1 to read:

The state should participate in the issuance of tax-exempt bonds, as well as taxable forms of financing, to provide the best market rate to finance the state's housing needs, which include, but aren't limited to, low to moderate-income housing, rural housing and transitional housing.

Policy Statement #13

Change to action plan #1 to read:

The state shall adopt the entire Uniform Building Code, and allow for regional differences and amendments. Codes should include energy standards, which allow for regional differences. Strong protection should be afforded to owners of existing structures against arbitrary enforcement, when construction occurred before standards were implemented.

Action plan #3 was struck as the subcommittee determined this energy analysis had already been done.

Rep. Rieger had to leave the meeting early and stated that he was in disagreement with the following action plans:

Policy Statement #4, Action Plan #4:

Doesn't like the idea of AHFC lending directly to non-profit developers.

Policy Statement #11, Action Plan #3:

Doesn't like state guaranteeing loans for housing development. (Rep. Rieger disagrees with using state's "full faith and credit" to guarantee loans).

Policy Statement #12, Action Plan #3:

Doesn't like idea of non-profits "mortgaging the state."

Policy Statement #12, Action Plan #4:

Doesn't like idea of "slicing up the Permanent Fund earnings."

Mr. Barrier stated that he had no definite recommendation on the state's involvement with mobile homes, but he wanted mobile homes to be recognized as a type of housing in the final HPDC report.

The subcommittee adjourned at 3:15 p.m.

**ALASKA HOUSING MARKET COUNCIL
HOUSING POLICY DEVELOPMENT COMMITTEE**

**Full Committee
Minutes**

**September 9, 1989
Sheraton Anchorage Hotel, Yukon Room
Anchorage, Alaska**

CALL TO ORDER

The meeting was called to order at 11:15 a.m. by Chair Cynthia Parker.

The following members were present:

Sharon Araji, University of Alaska, Anchorage
Representative Kay Brown, State Representative
Stan Hoofard, Housing Services, Municipality of Anchorage
Nancy Adams, Juneau Alliance for the Mentally Ill
Rick Barrier, Malaspina Properties
Sam Helms, Public Member, Fairbanks
Bill Swain, Jack White Company
Bob Arwezon, Real Estate Broker
Howard Bess, Alaska Housing Ministries
Cynthia Parker, Anchorage Neighborhood Housing Services
Jesse Bartlett, Alaska State Housing Authority

Staff Present:

Glenda Straube
Heather Arnett
Mark Romick
Brenda Glaze

Public Present:

H.P. "Prent" Gazaway, Anchorage
Lorena Showers, Anchorage

APPROVAL OF AGENDA

The agenda was unanimously approved by the full committee.

SUBCOMMITTEE PRESENTATIONS

A representative from each subcommittee presented each group's suggested changes to the mission statement, policy statements and action plans. (SEE SUBCOMMITTEE MINUTES FOR EXACT CHANGES).

THE FULL COMMITTEE AGREED ON OMITTING THE FOLLOWING SECTIONS OF THE POLICY STATEMENTS AND ACTION PLANS

Policy Statement #5

Action Plans #3, 5, 20 and 21

Action Plans #5, 20 and 20 were dropped from the policy statement related to transitional housing, because they focused on transportation and not clear housing issues. Action Plan #3 was dropped because service providers are restricted in their ability to institute "culturally appropriate activities."

Policy Statement #11

Action Plan #3

This statement, relating to the state guaranteeing loans for senior housing development was dropped, but it was decided to give clear direction to a Housing Commission to encourage and assist this type of development.

Policy Statement #13

Action Plan #3

This statement, referring to a task force developing energy policy, was dropped. It was determined that this project had already been completed.

THE FULL COMMITTEE AGREED ON CHANGING THE FOLLOWING SECTIONS OF THE POLICY STATEMENTS AND ACTION PLANS

Policy Statement #4

Action Plan #4

This statement was changed to read:

State law should be modified so that Alaska Housing Finance Corporation can lend to non-profit housing developers through normal seller-servicer arrangements.

(The words "directly" and "interest rate subsidy program" were removed).

Policy Statement #9

Action Plan #3

This statement was changed to read:

A report by the State Housing Finance Task Force, which examines the state's interest rate subsidies for mortgage loans, will be issued in February. This issue needs to be thoroughly examined, but at a minimum, the state should continue to direct economic assistance for rural housing and low to moderate-income housing programs.

Policy Statement #9

New Action Plan

Where state agencies can access materially lower cost capital from secondary market lenders, than funds available in the private sector, this may be done and the lower interest rates should be passed through to the public.

New Action Plan

If the Alaska Housing Finance Corporation does achieve lower interest rates and offers the loans to the public; the first priority should be to meet the housing needs of rural and low-income residents.

Policy Statement #12

This statement was amended to read:

It is the policy of the State of Alaska to develop and maintain stable sources of capital and revenue to support housing needs in the state.

Action Plan #4

This statement was amended to read:

Other sources of funding should be considered to meet essential housing services, including the possibility of instituting a state sales tax.

Discussion on certain policy statements and action plans

Policy Statement #3

This policy statement, relating to land use, was discussed at length by the committee. Rep. Brown pointed out that the

statement refers to local government's involvement in land use issues. She stated that many parts of the state are not organized into local governments, i.e., the unorganized borough.

This statement was referred back to the Urban/Rural Subcommittee for more work.

Policy Statement #7

Action Plan #4

The issue of the state providing a downpayment and closing cost program was discussed at length. The Urban and Rural Housing Markets Subcommittee was opposed to such a program.

Mr. Hoofard suggested that, possibly, homeowners could be given a break with the downpayment to purchase a home, but they wouldn't receive a state subsidy after that point.

It was determined that staff would bring information on other state's downpayment programs to the next HPDC meeting.

Policy Statement #9

This statement refers to the State minimizing direct involvement in the secondary mortgage market. Rep. Brown asked why involvement should be minimized?

Ms. Parker answered that AHFC has taken a very large share of the secondary mortgage market.

The full committee debated the Urban/Rural Subcommittee's recommendation to amend Policy Statement #9 and Policy Statement #12, Action Plan #1 to read:

.....to provide the best market rate to finance the state's housing needs, which include, but aren't limited to low to moderate-income housing, rural housing, and transitional housing.

Mr. Swain stated that the subcommittee did not want to limit who the state money is available to.

No decision was made on this issue.

Policy Statement #11

The Transitional and Long Term Housing for Special Needs Subcommittee felt that this statement, referring to housing for the state's seniors, should be shortened and clarified.

The subcommittee suggested the statement read:

It is the policy of the State of Alaska to recognize that Senior Alaskans should have access to affordable housing.

Rep. Brown said that Action Plan #1, dealing with changing state regulations for senior housing, is unclear. She asked if senior housing in the state must be constructed a certain way in order to receive state and federal funding.

The committee believes the regulations pertain to state funding. Staff will check into this issue.

Policy Statement #12

Action Plan #3

This statement, relating to the possibility of state grant funds being used for mortgage loans, was referred to staff for further research. The State Attorney General's office is currently examining this issue.

2:00 P.M. PUBLIC TESTIMONY

Lorena Showers, Middle-Income Seniors Group, Anchorage

Ms. Showers is a 50-year resident of downtown Anchorage. She stated that middle-income seniors are not eligible for many of the low-income developments in the state. She added that Alaska has no facilities for mid-income seniors.

A group, in Anchorage, has been holding monthly meetings on this issue. They aren't asking for a subsidy, but would like to see a positive incentive go to developers, so that construction could occur at a lower interest rate.

She doesn't think that condominiums can be properly converted to senior housing developments.

Hyatt Hotels are now building housing for seniors across the country.

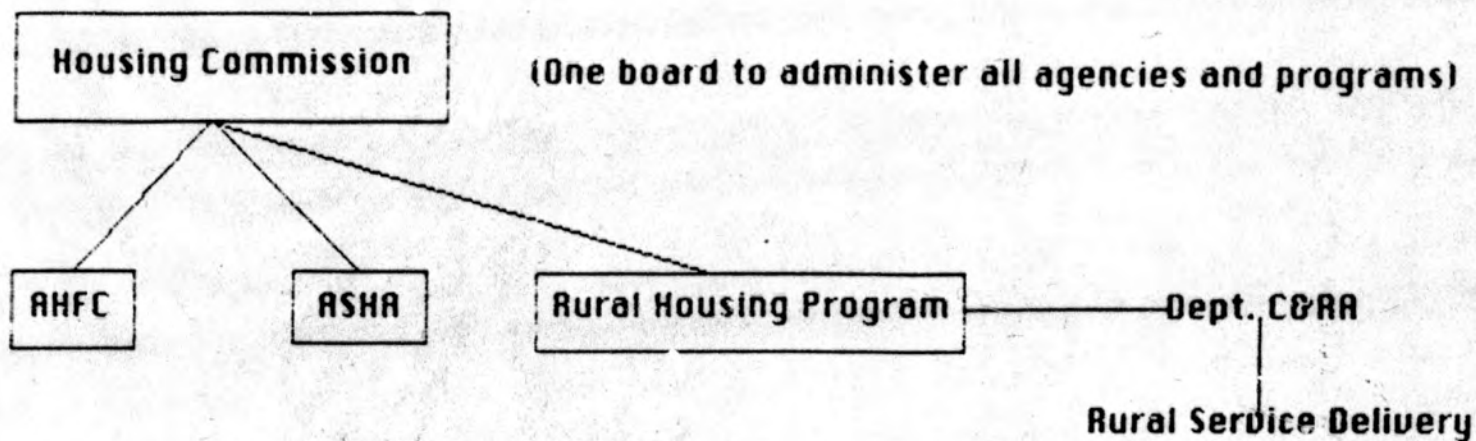
Mr. Swain stated that he's interested in why the private sector hasn't responded to this issue. It might be a perfect arrangement for profit/non-profit groups.

Mr. Hoofard said that, in Spokane, this type of development occurred with federal Section 312 funding. That source of funding is available in Anchorage, but is slated for housing rehabilitation. \$33,500 is available per unit.

UPCOMING MEETINGS

The committee decided that the last few HPDC meetings should be held for one day only. The schedule was amended and the last three meetings were scheduled for: October 6, November 3 and December 1. (Note: The October 6 meeting was later changed to October 13).

The full committee meeting was adjourned by Chair Cynthia Parker at 2:30 p.m.



PROPOSAL BY REP. KAY BROWN
SEPTEMBER 8, 1989
HOUSING POLICY DEVELOPMENT COMMITTEE
ALASKA HOUSING MARKET COUNCIL

Holy Cross, Alaska 99602

Phone (907) ~~485-7136~~ 476-7136, 476-7137, 476-7138

To: Board Members

Date: June 22, 1989

From: Marie Katcheak, F.S.S.

Re : Housing in Rural Alaska

Good morning. I am very interested in the progress you have accomplished within the field of rural housing.

Being a resident of a rural community of Holy Cross, Alaska my comments will be toward options of rural Alaska.

There have been two housing projects ASHA 1971 and HUD 1984-85 which has reported the housing situation here at Holy Cross.

The first housing project which was considered a pilot project did require less maintenance and the price range was economical for the needs of rural Alaska 20 years ago. Improvements have come along way with the price range of the 1984-85 HUD project. The walls were of dark walnut, which require having the lights on more during the day. We do have very short summer months and long cold winters.

I understand the need for plumbing in villages with running water. Where water tables are non-existing this presents a problem when shower fixtures, bath tubs, and plumbing are offered only as a package deal and will never be used, along with the hidden costs in these packages:

1. plumbing wages
2. additional cost of shipping unused materials
3. additional air openings which cause draft
4. additional wages for package handling

Also with the economy never having any changes other than the pipeline boom of the 1970's, employment remains unseen for the future to boost the village economy. I'm not implying in any way needed housing for rural Alaska should be sub standard. I am implying more affordable homes and a choice should be offered to rural residence. Although less expensive homes which are affordable for rural Alaska should consider the price of financing these homes are a far cry within the economy range of \$20,000 to \$25,000. The present homes are in the price range of \$85,000 to \$105,000 with a 30 year payment plan.

Box 190
Holy Cross, Alaska 99602
Phone (907) 484-4884 476-7136, 476-7137, 476-7138

Any home buyer should be able to make a wise choice either by being offered a full complete home built by the contractors needs which is in the economical guide lines of the income according to the individual. There are different housing packages offered by United Limber Independent, and Spenard Builders who have packages which are affordable. For example and review let's look at the package from Spenard Builders Supply which has 9 departments throughout the State.

3 bedroom shell: \$16,995
shipping by barge: \$1,500
\$18,495

3 bedroom: \$16,995
with all(tub,plumbing): \$8,000
freight and complete package: \$24,995

Changes can be made by person building these homes to make the home more suitable to their living conditions in rural areas.

The amount spent on financing can be reduced and more homes can be built with money available. A policy can be enacted to insure the building inspectors and codes can be implimented.

Looking at the past and planning for the future with local residence input always makes sense to me. Thank you.

Sincerely,

Marie Katcheak

Marie Katcheak
P.O. Box 74
Holy Cross, Alaska 99602

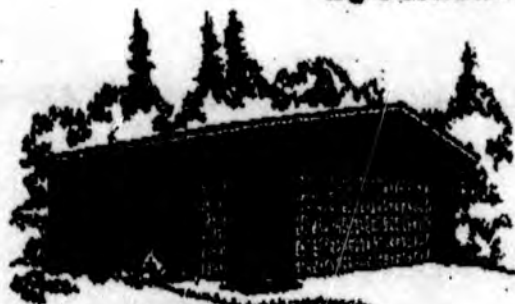
cc. Board members

Fax ed 6/23/89

PACKAGED HOMES

SBS HOMESTYLES

Specializing In Packaged Homes



**DOUBLE CAR
GARAGE**

20'x24'

480 SQ. FT.

This roomy model is large enough to house two cars plus a workbench. Open the single garage door and there's no support post to maneuver around... which makes it an ideal design for the storage of large vehicles. This design also features a metal insulated door for added convenience.

SBS also offers a single car garage 12'x24' \$2,995

\$3995

Foundation not included

CONVENIENCE

With many locations throughout the state, it's easy and convenient to work with the SBS store nearest you...people you know and trust.

FLEXIBILITY

You can build at your own pace...purchase the shell now and complete the inside later, or you can purchase any number of interior options at the same time of the exterior shipment.



CABIN

16'x24'

420 SQ. FT.

Our recreational cabin design gives you efficient use of living space. The main level includes a bedroom, bath, living and kitchen area. The upstairs 12x16 loft offers additional room for sleeping or storage. This is the perfect cabin design for your favorite fishing and hunting site.

\$7,995*

EXPERIENCE

SBS has been helping Alaskans build their homes for over 30 years. Our qualified sales staff can give you the right answers.

QUALITY

These homes were designed for Alaskans with special consideration given to weather conditions. Quality and durability have been included in each design.



SUSITNA

20'x30'

600 SQ. FT.

The Susitna features a large open living, dining and kitchen area with one bathroom. Finished with all options, makes this design easy to build and easy to heat. If you plan call for a starter home or recreational cabin, the Susitna is what you're looking for.

\$10,995*

OPTIONS

Interior completion of your packaged home is easy with help from SBS. We offer a number of additional options from cabinets to plumbing...just ask!

SERVICE

We'll work with you every step of the way...from freight schedule to the last coat of paint. Our goal is to make building in Alaska as easy as possible.

DESIGNED TO PROVIDE EFFICIENT HOUSING AT AFFORDABLE PRICES



WRANGELL

24'x36'

864 SQ. FT.

Especially designed with extra storage in mind the Wrangell features two entry cold storage and utility room. Growing families will appreciate the spacious room, grade entry, time-saving kitchen and 2 bedrooms. All this living space in a simple to erect package...one of our best values.



FORAKER

24'x40'

960 SQ. FT.

The Foraker was designed with the needs of a growing family in mind. You will certainly utilize three bedrooms with full closets, a well-planned kitchen, versatile utility room and a spacious living area. Designed for Alaskan lifestyles, the Foraker also features an extra entry and an attached cold storage area which accesses from the utility room.



DENALI

24'x50'

1200 SQ. FT.

The Denali is the ideal home investment, there's plenty of room for every member of your family. Features include a utility room and attached cold storage area. The spacious kitchen, dining and living area is open, maximizing heating efficiency.

\$14,995*

\$16,995*

\$19,995*

SPENARD BUILDERS SUPPLY HOMES

Every SBS packaged home shell price* includes: a post and pad foundation, interior and exterior wall framing, T1-11 plywood siding, engineered floor and roof systems, mineral surfaced roofing, fiberglass insulation, wood casement windows, insulated metal exterior doors plus much more! All package homes include a complete set of architectural plans and materials check-off list.

CLIP & SEND



Yes I would like more information on your packaged homes program.

NAME _____

ADDRESS _____

CITY _____

STATE _____ ZIP _____

PHONE _____

Please mail coupon to:

Spenard Builders Supply
Packaged Homes Department
4412 Lola Drive
Anchorage, Alaska 99517
(907) 563-3141 or
1-800-478-3141

Please send more information on:

- ☐ SINGLE CAR GARAGE
- ☐ DOUBLE CAR GARAGE
- ☐ RECREATIONAL CABIN
- ☐ SUSITNA
- ☐ WRANGELL
- ☐ FORAKER
- ☐ DENALI

*Shell price. All prices F.O.B. Anchorage

949 E. 36th Ave. #402
Anchorage, AK 99508
(907) 273-9442

RURAL DEVELOPMENT DIVISION

August 3, 1989

Ms. Cynthia Parker, Chair
Anchorage Neighborhood
Housing Service
3700 Woodland Park Drive
Anchorage, Alaska 99517

Dear Ms. Parker:

Attached are some comments provided by my Energy Conservation staff regarding the draft housing policy statements which accompanied Ms. Arnett's July 21, 1989 letter.

Hopefully, these comments can still be included in your final policy paper. I regret the delay in responding earlier.

Please let me know if you have any questions on our requested inclusions of building energy efficiency concerns. We feel strongly that any Alaskan housing policy must address techniques which will decrease the extreme cost of energy, particularly in rural areas.

Sincerely,

Michael C. Harper
Director

Attachment:

cc: Ms. Glenda Straube

REQUESTED LANGUAGE ADDITIONSHousing Policy Development Committee
Draft Policy Statements:

- 2) Action Plan Section. Add underlined language:

"Communities will be encouraged to take an active role in land use issues, energy conservation building standards,..."

- 3) Add: "...sanitary and energy efficient living conditions..."

4) Add Action Plan Section to include: "Addressing retrofit of existing housing to make it more comfortable, particularly in extreme climate and affordable to low to median income families by decreasing energy costs. Additionally, new housing should be built to address appropriate Alaskan climatic conditions for the area."

5) Add under Action Plan: "The state shall encourage building and purchase of energy efficient housing through special financing incentives."

7) Add under Action Plan: "...markets and providing information including how to decrease energy costs through educational programs."

Low Income, Affordable and Senior Housing Subcommittee
Policy Statements:

2) Add: "...senior housing, affordable and energy efficient housing."

5) Add: "...foster and develop affordable, energy efficient, low-income and senior housing in the state."

Urban and Rural Housing Markets Subcommittee
Policy Statements

3) Add: "...in housing needs, building and energy efficiency standards, and requirements, throughout the state."

5) Add: "...safe, sanitary, energy efficient living conditions are available to all citizens of the state."

Transitional and Long Term Housing for Special Needs Subcommittee
Policy Statements

2) Add: "... It is the policy of the State of Alaska to improve the quality, availability, accessibility, affordability and energy efficiency of ...



Fairbanks North Star Borough

25th Silver Anniversary

September 1, 1989

Housing Policy Development Committee
Alaska Housing Market Council
624 W. International Airport Road, Suite E
P.O. Box 240048
Anchorage, Alaska 99524-0048

Dear Members of the Housing Policy Development Committee,

Notice of your meetings scheduled for September 8 and 9 was received at the Community Research Center on August 31. It was noted that the meetings will not be teleconferenced. Therefore, I am writing, requesting that this letter is made a part of the record.

I am deeply concerned by the sweeping powers that are potentially instituted by the policy recommendations which have been drafted. The policies themselves are such that they may be as palatable as apple pie, but I am concerned with how they will be implemented.

Specifically, with state revenues projected to decline sharply over the next decade, I am concerned with the costs associated with improving "the availability and affordability of transitional and long term housing for those with special needs," the State of Alaska promoting "the availability of quality, affordable rental housing," and a policy which states that "Senior Alaskans, of all income levels, should have access to affordable housing." What is meant by a policy "to develop and maintain stable sources of revenue to support housing needs in the state"?

The bottom line is that there must be some checks and balance written into these policies so that they are implemented within the constraints of what the financial conditions of the state can bear.

The establishment of clearly stated housing policies is to be applauded, but I urge you to use prudence and wisdom in what they promise, for our state's ability to meet the costs of the policy implementation will be severely reduced in the coming years.

Sincerely,

Leslye A. Korvola

Leslye A. Korvola
Manager, Community Research Center

BRYAN F. BORJESSON, P.E.

Consulting Civil Engineer
514 Steel Creek Road
Fairbanks, Alaska 99701
(907) 457-4482

JOB _____
WORK DESCRIPTION _____
CALCULATED BY _____ DATE _____
CHECKED BY _____ DATE _____
SCALE _____ SHEET _____ OF _____

To: Heather Arnett

enclosed are my comments on draft statement. On the whole it looks very good. My only overall concern is how the commission would be made up. I believe this should be clarified. Some but not all members

- Engineering & technical
- Banking
- AHFC or other Housing Reps
- Congressional Representative
- DOT
- ~~_____~~
- insurance
- medical
- legal
- law enforcement
- etc

P.S. The committee has done a great job and the staff is its mainstay

Thanks for the opportunity to comment - Sorry I can't be there but give everyone my regards

Bryan Borjesson

BRYAN F. BORJESSON, P.E.

Consulting Civil Engineer
514 Steel Creek Road
Fairbanks, Alaska 99702
(907) 457-4482

JOB _____
WORK DESCRIPTION _____
CALCULATED BY _____ DATE _____
CHECKED BY _____ DATE 9/2/09
SCALE _____ SHEET _____ OF _____

Comments on ~~low~~ Draft Action Plans

P1
Action plan 2) The Scientific Community, specifically Architects, Engineers etc should also be represented

3) State agency info services should be named - see 5)

4) Add statement at end of sentence "based on these recommendations"

P2
7) Add statement in last sentence "or make available at Medical Costs"

P5
8) Add "or other contagious diseases"

13) 14) 15) 16) 17) these items could be combined into single statement

P9
policy statement
#10 1) include private Developers in last sentence

P9 10
policy statement
#13 3) DSC Commissioner not qualified

September 4, 1989

Alaska Housing Marketing Council
624 W. Int'l Airport Rd. Suite E
Anchorage, AK 99518

Dear Council Members:

I have reviewed your Draft Policy Recommendations with Amos J. (Joe) Alter, and we feel you have covered the many concerns we expressed regarding senior housing when we testified to your committee earlier this year.

We would like to offer the following comments about the individual recommendations:

1. Establishing an Alaska Housing Commission should help continue the work of your committee and also provide the necessary coordination between all segments of state government, which is currently lacking.
6. Who will determine, and how, the "most urgent housing needs"?
11. Good statement.
13. standards ---- add "appropriate to that community".

We would like to be advised if there will be public hearings held on these policies, and also would appreciate receiving a copy of your final report and action plan.

Sincerely,

Marie Darlin
Marie Darlin, Chair
Juneau Commission on Aging
Box 2-1283
Juneau, AK 99802
586-3637

ALASKA HOUSING MARKET COUNCIL
10/3/89
REVISED:
MISSION STATEMENT:

DRAFT

SAFE AND SANITARY LIVING CONDITIONS SHOULD BE AVAILABLE TO ALL
CITIZENS OF THE STATE.

FULL HOUSING POLICY DEVELOPMENT COMMITTEE

DRAFT ACTION PLANS

Policy Statement #1

It is the policy of the State of Alaska to adopt and execute a state housing policy and facilitate coordination of housing services by establishing an Alaska Housing Commission.

Action Plan:

1. The Alaska Housing Commission shall report directly to the Governor.
2. The Commission's composition shall reflect regional representation and shall include public members and representatives from the following: the housing and real estate industry; special needs groups; and rural areas. Representatives from state agencies with housing or mortgage loan programs will serve in an advisory capacity only.
3. The Commission shall provide information on housing opportunities to the public and shall oversee state agency information services.
4. The Commission shall be the designated agency to review and distribute federal funds for housing and shall designate recipients throughout the state.
5. The Commission shall be charged with state agency housing program review, coordination and oversight. All new or amended housing or mortgage loan regulations must be approved by the Commission to ensure that they conform to the intent of the state housing policy. The Commission shall clarify the roles of the Alaska Housing Finance Corporation, the Alaska State Housing Authority, and the Department of Community and Regional Affairs in the housing market.
6. The Commission shall be charged with writing a long term housing plan for the state and updating the plan periodically. State agencies, including the Alaska Housing

Finance Corporation, the Alaska State Housing Authority, the Department of Community and Regional Affairs, the Division of Mental Health & Developmental Disabilities, the Division of Alcoholism and Drug Abuse, and the Council on Domestic Violence & Sexual Assault, shall develop statewide service plans in conjunction with each other and the state housing plan to insure coordination and efficiency of service delivery. The Alaska Housing Finance Corporation and the Department of Community and Regional Affairs shall develop short and long-term business and regional strategic plans.

7. The Commission shall conduct periodic statewide housing needs assessments on housing and financing availability.
8. The Commission shall direct state agencies to review housing regulations under their jurisdiction, comparing them to other agency regulations, and revising where appropriate to eliminate conflict and duplication.
9. The Commission shall be charged with reviewing the use of and disposition of state agency-owned foreclosed properties and shall provide information to interested parties regarding available properties. The Commission shall encourage AHFC, banks and secondary institutions to donate foreclosed properties for use as transitional and long term special needs facilities and senior housing where appropriate.
10. The Commission shall actively facilitate the creation of housing partnerships and provide advice and technical assistance on the development of those partnerships.

Policy Statement #2

It is the policy of the State of Alaska to recognize the significant differences in housing needs, standards and requirements across the state. As a result, state policies, programs, procedures, and regulations shall be regionalized to the greatest extent possible.

Action Plan:

1. The Department of Community and Regional Affairs' and the Department of Environmental Conservation's regulations should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented.
2. The Alaska Housing Finance Corporation and the Department of Community and Regional Affairs should adjust their loan programs to be appropriate to market conditions in different regions of the state.

3. The Division of Family and Youth Services should revise foster care regulations to be realistic for bush areas, i.e., housing space requirements should realistically recognize the smaller homes available in the bush.

Policy Statement #3

It is the policy of the State of Alaska to encourage communities to take an active role in land use issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand.

Action Plan:

1. Local governments should include a housing plan, listing how housing needs can be met, as part of their comprehensive planning process.
2. Zoning laws which prohibit group homes should be revised to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities should be encouraged.
3. Municipal governments should be encouraged to review and revise zoning requirements to facilitate establishment of transitional group housing.

Policy Statement #4

It is the policy of the State of Alaska to improve the availability, accessibility and affordability of housing for people with limited or low incomes.

Action Plan:

1. The State of Alaska should become actively involved in assisting private developers and non-profits in obtaining financing for development of units which are affordable to low-income Alaskans. The State should also make funding and/or financing available to developers and non-profits for planning and pre-development costs on qualified projects.
2. Existing state agency-owned foreclosed properties should be considered for conversion to low income housing units, if economically and structurally feasible.
3. Local financial institutions and the secondary market should be encouraged to participate in providing funding for non-profit, qualified low-income and affordable housing.

4. State law should be modified so that Alaska Housing Finance Corporation can lend to non-profit housing developers through normal seller-servicer arrangements.

Policy Statement #5

It is the policy of the State of Alaska to improve the availability, accessibility and affordability of transitional and long term housing for those with special needs.

Action Plan:

1. The role of the Alaska Housing Finance Corporation and the Department of Community and Regional Affairs should be expanded to allow mortgage loans to non-profits for transitional and long term housing for those with special needs. This should be a cooperative effort with rural housing authorities.
2. The U.S. Department of Housing and Urban Development should be encouraged to change regulations so that transitional housing tenants can be charged a small amount to support operating expenses. Also, if needed, Alaska's congressional delegation should be contacted about the differences among HUD program requirements, which makes it difficult for housing providers to utilize HUD programs.
3. State programs that provide temporary housing and services to Rural Alaskans who must come to regional centers for medical or other treatment should be adequately funded. In particular, more low-cost transitional family units should be offered, on a sliding fee scale, for Rural Alaskans who move to regional centers for services.
4. Division of Family and Youth Services regulations should be changed so that housing services for non-State custodial teens can be funded or some form of financial assistance can be provided for programs assisting these teens.
5. State legislation that funds independent living programs for youth should be supported.
6. Facilities for persons with AIDS, which offer continuing care, must be identified and funded. Also, a centralized agency must be identified to focus on the housing needs of AIDS patients.

The following transitional and long term housing for special needs areas have also been identified as needing funding:

7. Need for additional emergency shelter space for families with children, to include those with medical need.
8. Need for transitional housing for families leaving women's shelters.
9. Need for 150 additional beds, in halfway house settings, for substance abusers.
10. Need for housing and support services for pre-maternal teens and teens with infants. More child care programs that allow teens with children to attend school should be funded.
11. Need for structured housing environments for ex-offenders.
12. Need for group facilities for persons with handicap(s).
13. Need more programs for the neurologically impaired.
14. Long term (semi-independent) housing for the mentally disabled.
15. Short and long term facilities for those with head injuries and brain trauma.
16. The Capital Projects Land Fund in the Mental Health Lands Trust Account should be used to fund projects such as those listed below.
 - a. Transitional halfway houses for mentally ill after leaving Alaska Psychiatric Institute.
 - b. Long term "sleep off" centers for inebriates with problems so ingrained that treatment won't help.
 - c. Structured housing environment for mentally ill with criminal records.
 - d. Long term care facility for chronically mentally ill who refuse psychiatric treatment.
17. Buildings for people with special needs should be renovated or built in accordance with the "Uniform Federal Accessibility Standards," produced by the Department of Transportation.

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Policy Statement #6

It is the policy of the State of Alaska, in the allocation of state housing resources, to give first funding priority to the state's most urgent housing needs.

Action Plan:

1. Currently, the most urgent housing needs in the state are for rural and low income residents. Those needs should be given funding priority.
2. A function of an Alaska Housing Commission should be to maintain comprehensive information on housing needs statewide and keep track of the most urgent housing needs in the state. When state funds are designated to meet housing needs, the commission should identify which areas of the state and which target populations are most in need of housing resources.

Policy Statement #7

It is the policy of the State of Alaska to encourage and assist the citizens of the state in homeownership opportunities in a fiscally responsible manner.

Action Plan:

1. State agencies with mortgage lending programs should approve and follow prudent lending standards.
2. When state funds are at risk, realistic downpayments should be required.
3. The state shall execute and participate in a homeowner counseling and education program. This will work in partnership with new federal housing mandates, which direct states involved in low-income homeownership programs to offer homeowner counseling services.
4. The state should implement a downpayment and closing cost homeowner assistance program, executed through Alaska Housing Finance Corporation or another entity.
(Review by Full Committee)
Note: Often young families and single parents can afford a mortgage payment, but cannot afford the downpayment and closing costs, which can range from \$4,000 to over \$8,000.
5. AHFC should pool FHA and Federal VA loans under a little-used loan program called the "Conventional Refinance Program." This non-subsidized program would reduce or eliminate Alaskan loans being sold to outside investors and

would create a more stable environment for future mortgage financing.

(Review by Full Committee)

Note: Local lenders have, over the past three years, had difficulty placing FHA and Federal VA loans in the secondary marketplace due to the state's real estate conditions. At times, private investors have priced Alaskan loans at 3% higher than other areas of the nation. Often the loans are not accepted in the secondary marketplace.

Policy Statement #8

It is the policy of the State of Alaska to encourage housing partnerships which include public, private and non-profit entities, in order to foster and develop low-income and affordable housing in the state.

Action Plan:

1. Benevolent loan funds, consisting of private donations, private and public financing, should be encouraged.

Policy Statement #9

It is the policy of the State of Alaska to minimize direct involvement of state government in the secondary mortgage market, with the primary exception of accessing capital markets in order to provide low to moderate-income housing and rural housing.

Action Plan:

1. The state should encourage other secondary mortgage companies to do business in the state in conjunction with AHFC.
2. In an effort to help solve the hesistance of private mortgage insurers to underwrite mortgage loans in Alaska, the state should develop a plan for encouraging participation in the state by private insurers.
3. A report by the State Housing Finance Task Force, which examines the state's interest rate subsidies for mortgage loans, will be issued in February. This issue needs to be thoroughly examined but, at a minimum, the state should continue to direct economic assistance for rural housing and low to moderate-income housing programs.
4. Where state agencies can access materially lower cost capital from secondary market lenders, than funds available in the private sector, this may be done and the lower interest rates should be passed through to the public.

5. If the Alaska Housing Finance Corporation does achieve lower interest rates and offers the loans to the public; the first priority should be to meet the housing needs of rural and lower-income residents.

Policy Statement #10

It is the policy of the State of Alaska to promote the availability of quality, affordable rental housing.

Action Plan:

1. By encouraging the development of housing partnerships in the state and providing pre-development financing for certain projects, the state can assist in meeting the need for good quality, affordable rental housing. Also, the feasibility of converting appropriate foreclosed housing to rental units should be examined. AHFC & DCRA lending practices should be expanded to allow mortgage loans for non-profits so that those developers would have the means to create affordable rental housing.

Policy Statement #11

It is the policy of the State of Alaska to recognize that the state's seniors are a valuable asset to the state. Senior Alaskans, of all income levels, should have access to affordable housing. The state should implement a housing program for seniors which emphasizes a continuum of care services. Supportive services should be available which allow seniors to live independently at their level of ability.

Action Plan:

1. Current regulations in the state can make it difficult to cost-effectively construct senior housing. "Medical model" construction regulations require builders developing senior housing to construct them so that medical facilities can be installed. These requirements greatly increase the cost of construction. Because of restrictive regulations, the construction and/or operation of smaller group homes, congregate homes and adult foster homes can also be cost prohibitive. Present regulations must be reviewed and made more flexible where appropriate. State housing regulations should be changed so that two categories of housing are created; medical and non-medical models.
 - a. Medical models - requiring specialized medical assistance.
 - i. Intermediate care.
 - ii. Long term care.

- b. Non-medical/Supportive models - requiring assistance with daily living.
 - i. Nutrition needs.
 - ii. Housekeeping.
 - iii. Personal care.
 - iv. Transportation
 - v. Other non-medical needs unique to the individual.
- 2. The state should implement a "continuum of care" housing program for seniors and should adequately fund necessary supportive services, which allow seniors to remain independent for as long as possible.
 - a. A case management system, which matches seniors with appropriate services, should be implemented by the state.
 - b. State funded supportive services, such as homemaker assistance, should be expanded to 7 days a week.
 - c. Financial assistance and training for home repair and maintenance should be increased.

Policy Statement #12

It is the policy of the State of Alaska to develop and maintain stable sources of capital and revenue to support housing needs in the state.

Action Plan:

- 1. The state should participate in the issuance of tax-exempt bonds, as well as taxable forms of financing, to provide the best market rate for the creation of low to moderate-income housing.
- 2. The state should also encourage the usage of 501c3 bonds by non-profit corporations as a means to create affordable and special needs housing.
- 3. State regulations should be changed so that grant monies can be used to pay for mortgage loans.
- 4. Other sources of funding should be considered to meet essential housing services, including the possibility of instituting a state sales tax.
- 5. The state should encourage the development of Neighborhood Housing Services in communities across the state.
- 6. The state should consider the creation of a "Housing Trust

DRAFT

Fund" as a source of housing revenue.

7. The state should support the creation of a new "HOME" Corporation within the federal government, which will provide housing funds to states and local communities.
8. The state should review the new national FSLIC program for use as an additional source of housing funds. If a state does not have savings and loans institutions that qualify for the bond program, regional housing authorities can qualify for the bonds.

Policy Statement #13

It is the policy of the State of Alaska that housing in the state should meet specific quality standards.

Action Plan:

1. The state shall adopt the entire Uniform Building Code, and allow for regional differences and amendments.
2. The state shall adopt more stringent contractor licensing requirements.
3. The state should actively lobby for and support the financing of home improvements in rural areas under the federal Mutual Help program and Housing Improvement Program.
4. State agencies should not fund the financing of new construction of substandard housing, nor should they finance existing homes which meet the definition of substandard, with the exception of regional differences.

9/19/89

SUBCOMMITTEE INPUT ON HPDC RECOMMENDATIONS
UNRESOLVED BY FULL COMMITTEE

MISSION STATEMENT

Amend to read:

Safe, sanitary, and energy efficient living conditions
should be available to all citizens of the state.
(Urban/Rural)

POLICY STATEMENT #1

The Housing Commission structure (proposed by Rep. Kay Brown) was adopted. (Transitional)

Action Plan #1

Add: the Boards of ASHA and AHFC would be eliminated and the executive directors of those agencies would serve as advisors and at the pleasure of the Housing Commission. The Commission would consist of 10 members: one commissioner from DCRA and the Department of Revenue, and eight public members. (Transitional)

Action Plan #2

Add: Staffing for the commission shall come from existing state agencies and funding from existing agencies' resources. (Transitional)

Action Plan #4

Reword: The Commission shall be the designated state agency to review housing needs and request funds for housing and designate recipients throughout the state. (Transitional)

Action Plan #5

Reword: The Commission shall be charged with state agency housing program review, coordination and oversight. All new or amended housing or mortgage loan regulations must be approved by the Commission to ensure that they conform to the intent of the state housing policy. The Commission shall direct the activities of the Alaska Housing Finance Corporation, the Alaska State Housing Authority, and the housing programs within the Department of Community and

Regional Affairs. (Transitional)

Action Plan #6

Reword: The Commission shall be charged with writing a long term housing plan for the state and updating the plan periodically. State agencies, including the Alaska Housing Finance Corporation, the Alaska State Housing Authority, the Department of Community and Regional Affairs, the Division of Mental Health & Developmental Disabilities, the Division of Alcoholism and Drug Abuse, and the Council on Domestic Violence & Sexual Assault, shall advise the Housing Commission of housing needs within their area of responsibility. (Transitional)

Action Plan #8

Reword: The Commission shall review housing regulations of the agencies under its jurisdiction, and advise where appropriate to eliminate conflict and duplication. (Transitional)

Action Plan #9

Reword: The Commission shall review the use of and disposition of state agency-owned foreclosed properties and shall provide information to interested parties regarding available properties. The Commission may direct AHFC and encourage banks and secondary institutions to donate foreclosed properties for use as transitional and long term special needs facilities and senior housing, where appropriate. (Transitional)

POLICY STATEMENT #2

Action Plan #1

Subcommittee did not understand this action plan. Request clarification from full committee. (Transitional)

Reword: State agencies with regulations pertaining to housing standards should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented. (Urban/Rural)

Subcommittee recommends that task force created also address building codes. Add: "housing and construction" after "Department of Environmental Conservation's." (Low-Income/Affordable)

Action Plan #2

Subcommittee requests clarification on this action plan from full committee. (Transitional)

POLICY STATEMENT #3

Reword: It is the policy of the State of Alaska to encourage communities to take an active role in housing issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand. (Transitional)

Action Plans 1, 2, & 3

Reword: Through DCRA, local government shall be encouraged to do the following:

- 1) Include a housing plan as part of their comprehensive planning process.
- 2) Revise zoning laws to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities.
- 3) Review and revise zoning requirements to facilitate establishment of transitional group housing.
(Transitional)

Action Plan #3

The subcommittee voted to remove this action plan, because it felt that most governments already have this ability under current municipal ordinances. It may be possible to include this in the policy statement. (Low-Income/Affordable)

POLICY STATEMENT #4

Subcommittee wants non-profits to be able to participate in any type of subsidy program. (Transitional)

Action Plan #3

Add: An educational program should be developed through state agencies and the secondary market to encourage funding of applications for qualified low income/affordable housing projects. (Low Income/Affordable)

POLICY STATEMENT #5

Action Plans #1, 2, 5, 18, 19

Combine: The Housing Commission should be given the responsibility to prioritize, review and seek funding for the listed action plans. (Transitional)

Action Plan #2

Remove: "also if needed." Move second sentence to policy statement #12, because it should apply to all HUD programs, not just transitional housing. (Low Income/Affordable)

Action Plan #4

Reword: State programs that provide temporary housing and services to Rural Alaskans who must come to regional centers for medical or other treatment should be adequately funded. (Transitional)

Action Plan #5

Remove. (Low Income/Affordable)

Action Plan #7

Not specific - doesn't meet SPAMO. (Low Income/Affordable)

Action Plans #8 - 18

Combine: Into one action plans, for example, 8a, 8b, 8c, etc. (Low Income/Affordable)

POLICY STATEMENT #6

Action Plan #1

Make this a finding of the report, not an action plan. (Low Income/Affordable)

Action Plan #2

Make this #1, and add the word "annually" after "should identify." (Low Income/Affordable)

POLICY STATEMENT #7

Action Plan #1

Not specific enough. Change "should approve...." to "should develop/adopt accepted industry lending standards." (Low

Income/Affordable)

Action Plan #2

Not specific enough. (Low-Income/Affordable)

Action Plan #4

Discuss with full committee, #2 and #4 are in conflict.
(Low Income/Affordable)

Subcommittee did not support the state implementing a
downpayment and closing cost program. (Urban/Rural)

Action Plan #5

Subcommittee was confused as to what this recommendation
means. (Urban/Rural)

Ms. Gunnels suggested that this action plan should include
some statement about the borrower's ability to refinance
their loans, under state programs, with a servicer in
Alaska. (Low Income/Affordable)

New Action Plan

There should be greater disclosure to borrowers that
mortgage loan servicing can be sold to another institution,
unless specified otherwise in the loan servicing agreement.

Greater penalties and clearer recourse shall occur in the
case of faulty loan servicing (application or mortgage
proceeds, payment of taxes or insurance). (Urban/Rural)

POLICY STATEMENT #9

Amend to read:

It is the policy of the State of Alaska to minimize direct
involvement of state government in the secondary mortgage
market, with the primary exception of accessing capital
markets in order to finance the state's housing needs, which
include, but aren't limited to, low to moderate-income
housing, rural housing and transitional housing.
(Urban/Rural)

Action Plan #1

Remove: and add to action plan #2. (Low Income/Affordable)

Action Plan #2

Add: "and secondary market mortgage investors" after "in Alaska, ." (Low Income/Affordable)

POLICY STATEMENT #10

Action Plan #1

Add: A sentence to include ASHA in the provision of affordable rental housing. (Low Income/Affordable)

POLICY STATEMENT #11

Reword: It is the policy of the State of Alaska to recognize that Senior Alaskans should have access to affordable housing. (Transitional)

POLICY STATEMENT #12

Action Plan #1

Reword: The State should participate in the issuance of tax-exempt bonds, as well as taxable forms of financing, to provide the best market rate to finance the state's housing needs, which include, but aren't limited to, low to moderate-income housing, rural housing and transitional housing. (Urban/Rural)

Action Plan #3

Reword: State regulations should be changed so that grant monies can be used to pay non-profits for mortgage loans. (Transitional)

Remove: (Low Income/Affordable)

Subcommittee member didn't like idea of non-profits "mortgaging the state." (Urban/Rural)

Action Plan #8

Add: "and non-profit" after "regional housing authorities." (Low Income/Affordable)

Substitute: "Resolution Trust Program" for "new national FSLIC Program." (Low Income/Affordable)

POLICY STATEMENT #13

Action Plan #1

Add: "and an appeals process" after "amendments". (Low Income/Affordable)

Amend: The State shall adopt the entire Uniform Building Code, and allow for regional differences and amendments. Codes should include energy standards, which allow for regional differences. Strong protection should be afforded to owners of existing structures against arbitrary enforcement, when construction occurred before standards were implemented. (Urban/Rural)

Action Plan #2

Add: "and bonding" after contractor licensing. (Low Income/Affordable)

Action Plan #3

Add: Reference to state programs like the Alaska Craftsman Home Program. (Low Income/Affordable)

Action Plan #4

Reword: So sentence is positive. However, it should retain the concept that the state will not finance new housing that does not meet current building and construction codes or regulations. (Low Income/Affordable)

SECOND ANNUAL RURAL ENERGY CONFERENCE

DRAFT AGENDA

THURSDAY, OCTOBER 12

8:00 - 8:30AM Check-in and Registration. Continental Breakfast will be served.

8:30 - 8:45AM Welcome & Conference Preview

8:45 - 9:45AM Panel Discussion on the Energy Situation in Rural Alaska

Moderator: Henry Springer, Director, Weatherization Program, R-CAP

1. Mike Harper, Director, Rural Development Division, DCRA
2. John Lyons, Operations & Maintenance Manager, AVEC

9:45 - 10:15AM

KEYNOTE ADDRESS: "ENERGY COSTS AND THE RURAL ECONOMIC CRISIS"
George Irvin, Assistant Director, Alaska Federation of Natives

10:15 - 10:30AM Break

10:30 - NOON Panel Discussion of Efficiency Issues:

Moderator: Alan Mitchell, Analysis North

1. Saving Energy Equals Saving Dollars, Conrad Zipperian, Rural CAP
2. Rural Utility Efficiency Issues - Robert Martin, Chairman, Board of Directors, AEA
3. Housing Standards in Rural Alaska - Steve Baden, Director, Energy Programs, DCRA

NOON - 1PM Lunch - on your own.

1:00 - 1:45PM Concurrent Workshops

1. Insurance For Utilities and Villages - Nancy Keller, Coroon & Black
2. Lighting Efficiency - Phil Kaluza & Alan Mitchell
3. Battery Based Hybrid Systems - Gary Smith, Project Manager /Rural Construction, AEA

1:45 - 2:00PM Break

2:00 - 3:30PM Concurrent Sessions

1. Energy Efficient Home Construction & HUD/Golovin Project - Harvey Bowers, ACHP & Tony Azumbrado, HUD
2. Preventive Maintenance for Rural Utilities - Jerry Larson, Manager of Rural Projects, AEA
3. Saving Money by Using "Waste" Heat - Peter Hanson, Rural Systems Engineer, AEA

3:30 - 3:45PM Break

3:45 - 4:45PM Concurrent Sessions

1. Community Bldgs Efficiency/Retrofit Proj. - Pat Woodell, Development Specialist, AEA
2. Using Records To Make Management Decisions - Clarissa Quinlan, President, Kinetic Energy Systems
3. RELI Project - Dennis Arlt, General Manager, UIC Construction

FRIDAY, OCTOBER 13

8:00 - 8:15AM Check-in & Registration. Continental Breakfast will be served.

8:15 - 8:30AM Conference Preview & Schedule Updates

8:30 - 9:30AM Concurrent Sessions

A. Panel Discussion of Regional Utility Cooperatives Proposal
Moderator: Paula Anderson, AVEC

1. George Matz, Senior Policy Analyst, AEA
2. Clarissa Quinlan, President, Kinetic Energy Systems

B. Heating Efficiency, Conrad Z. R-CAP & Mike Jeffries, Northeat Woodstoves

9:30 - 10:15AM

ALASKA'S ECONOMY: WHAT'S AHEAD

Scott Goldsmith, Professor of Economics, Institute of Social & Economic Research, UAA

10:15 - 10:30AM Break

10:30 - NOON Concurrent Sessions

A. Panel Discussion of Available Financing:

Moderator: Alan Mitchell, Analysis North

1. AEA - Gloria Manni, Director/Accounting & Administration, AEA
2. DCRA & CDBG - Steve Baden, Director of Energy Programs, DCRA
3. Home Energy Loan Program - Barbara Collins, ERH/HELP
4. REA - Allen Yost, Regional Representative, REA

B. Bulk Fuel Tank Safety - Carl Hild, Executive Director, & Karen Wood, Research Analyst, AK Health Project

NOON - 1:00PM Lunch - on your own.

1:00 - 2:15PM Concurrent Sessions

A. Energy Efficient Home Construction & HUD/Golovin Project - Harvey Bowers, Executive Director, ACHP & Tom Azumbrado, HUD

B. Organizing Your Area's Bulk Fuel Purchasing Coop - Tim Troll / BIA Bulk Fuel Program - Jerry Taylor, Director/Seattle Support Office, BIA

C. Preventive Utility Maintenance, Jerry Larson, Manager of Rural Projects, AEA

2:15 - 2:30PM Break

2:30 - 3:30PM Concurrent Sessions

A. RELI Project - Dennis Arlt,

B. Bulk Fuel Tank Safety - Carl Hild, Executive Director, &
Karen Wood, Research Analyst, AK Health Project

C. Heating Efficiency, Gary Neuman, Director of Energy & Housing
Services, TCC

3:30 - 3:45PM Break

3:45 - 5:00 Closing Remarks.

OPTIONAL: SATURDAY, OCTOBER 14 - TOUR OF AN ALASKA CRAFTSMAN HOME

**ALASKA HOUSING MARKET COUNCIL
HOUSING POLICY DEVELOPMENT COMMITTEE**

**Full Committee
Minutes**

**October 13, 1989
Anchorage Legislative Information Office
Anchorage, Alaska**

CALL TO ORDER

The meeting was called to order at 9:15 a.m. by Chair Cynthia Parker.

The following members were present:

Sharon Araj, University of Alaska, Anchorage
Representative Kay Brown, State Representative, Anchorage
Gary Mandzik, Div. of Mental Health and Developmental
Disabilities, Anchorage
Jeri Swenson, Div. of Mental Health and Developmental
Disabilities, Anchorage
Stan Hoofard, Housing Services, Municipality of Anchorage
Barbara Chmiel, Housing Services, Municipality of Anchorage
Nancy Adams, Juneau Alliance for the Mentally Ill
Senator Pat Pourchot, State Representative, Anchorage
Rick Barrier, Malaspina Properties, Anchorage
Rob Gamel, Carr-Gottstein Properties, Anchorage
Mike Harper, Dept. of Community and Regional Affairs, Anchorage
Sam Helms, Public Member, AHMC, Fairbanks
Lee Huskey, University of Alaska, Anchorage
Deborah Ingman, Appraisal Associates of Juneau
Kay Murphy, Key Bank of Alaska, Anchorage
Representative Steve Rieger, State Representative, Anchorage
Bill Swain, Jack White Co., Anchorage
Bob Arwezon, Real Estate Broker, Anchorage
Howard Bess, Alaska Housing Ministries, Palmer
Bryan Borjesson, Consulting Engineer, Fairbanks
Paul Carr, Carr-Gottstein Properties, Anchorage
Linda Kingcade, Staff to Representative Johnny Ellis, Anchorage
Velma Ellyson, Homer Senior Citizens
Kelly Gunnels, Denali State Bank, Fairbanks
Carol Jackson, Alaska State Housing Authority, Anchorage
Leo Kaye, Senior Citizens Advisory Board, Wasilla
Kathy Keck, Alaska Legal Services Corporation, Fairbanks

Cynthia Parker, Anchorage Neighborhood Housing Services
Marge Arnold, representing JoAnn Goyne, Alaska State Housing
Authority, Anchorage

Staff Present:

Heather Arnett

Public Present:

Hal Kummerow, Sitka
Karen King, Kodiak Island Housing Association
Bob Shuttlesworth, Kodiak
Bonnie Shuttlesworth, Kodiak
Dena McIntyre, Staff to Rep. Koponen, Fairbanks
Calleen Patrick-Riley, Alaska Psychiatric Institute, Anchorage
Rose Munafo, Dept. of Corrections, Anchorage
Alise Peck, Alliance for the Mentally Ill, Anchorage
Terry Hoke, Div. of Mental Health & Developmental Disabilities,
Anchorage
Rosalee Walker, Juneau
Kit Ballentine, Department of Environmental Conservation,
Anchorage

APPROVAL OF AGENDA

The agenda was adopted with no objections.

APPROVAL OF MINUTES

The minutes from the September 8-9 subcommittee and full
committee meetings were unanimously approved.

**PRESENTATION BY MIKE HARPER, DIRECTOR, RURAL DEVELOPMENT
DIVISION, DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

Mr. Harper gave a short presentation on the Housing Assistance
Division of DCRA. The Housing Assistance Division was created in
the early 80's because of the need for a housing program in Rural
Alaska.

HAD currently has three loan programs, which basically serve non-
urban areas. They are:

1. Rural Owner-Occupied Loan Program - Provides financing to
qualified borrowers for the construction or purchase of a
single-family residence and duplex housing for owner-
occupancy. The maximum loan term is 30 years.
2. Rural Nonowner-Occupied Loan Program - Provides financing to
qualified borrowers for the construction, purchase or
rehabilitation of nonowner-occupied rental housing units.

The interest rate for this program is 10.5% with a maximum loan term of 30 years.

3. Housing Rehabilitation Program - Provides financing to qualified borrowers for the repair, remodeling or rehabilitation of existing single family and duplex housing. In addition, the Division may finance the rehabilitation with either a first or second deed of trust.

In addition, the Home Ownership Assistance Fund assists persons of low to moderate-incomes to purchase or construct single-family, owner-occupied dwellings financed with a loan purchased or originated by the Housing Assistance Division.

The legislature appropriates money to a revolving loan fund for these programs. DCRA does not bond. HAD's volume is \$20 - \$25 million per year.

DCRA also has a series of loan programs to develop energy-efficiency standards.

The committee discussed the possible sale of the HAD portfolio to AHFC, which was considered in the last legislative session.

Rep. Rieger stated that the sale of portions of the HAD portfolio to AHFC a few years ago was basically a forced sale.

Mr. Harper added that with the upswing in the economy in certain areas (for example, Dutch Harbor) there could be a time when HAD runs out of funds.

The delinquency rate on HAD loans is 7 - 8%.

Ms. Parker asked about the depreciation in market values in rural areas.

Mr. Harper responded that rural areas are experiencing a situation similar to Anchorage, although it is mixed. The Kodiak market is good and the Kotzebue market, with the development of the Red Dog Mine, is improving.

Mr. Harper stated that DCRA's experience with low income homeowners has not been bad. Many persons living in rural communities are committed to remaining in their community.

Ms. Ellyson said that in some communities affected by the oil spill, many people are still awaiting settlements from Exxon.

Mr. Harper responded that they haven't seen much of a problem yet with that issue. He said that they will do what they can to keep people in their homes. He added that it is important that distressed borrowers stay in contact with their lending

institutions.

**PRESENTATION BY MARGARET NELSON, PUBLIC INFORMATION OFFICER,
ALASKA HOUSING FINANCE CORPORATION**

Ms. Nelson stated that AHFC has 13 mortgage loan programs.

Conventional Mortgage Loan Program

This program is financed through taxable bonds. 50% of the loans have been in conjunction with a Federal Housing Administration program.

Tax-exempt Program for First Time Homebuyers

This program is currently offered at an 8% interest rate.

Homeownership Assistance Fund (HOF)

This program is for low-income homebuyers. The interest rate is subsidized by AHFC and is lower than the other homeownership programs.

Second Mortgage Program

This program offers a second mortgage for purchase of a home and, also, second mortgages for home improvements.

Homeowners Assistance Program

This is a re-financing program which should be re-instated later this year.

Other loan programs include a Mobile Home Loan Program, a Veterans Mortgage Program, and a Non-conforming Properties Loan Program.

AHFC is also looking at effecting more condominium market stabilization through a condo exchange program.

There are also various special financing programs for foreclosed properties.

Ms. Nelson stated that AHFC's delinquency rate is currently at 9.56%. In February, 1988, it reached a high of over 17%.

AHFC has now become a property management and financing institution. The decision is being made now as to what type of a corporation AHFC will be in the future.

Ms. Nelson also stated that AHFC will be releasing a lot of their figures next week. They have determined that it is costing more

to hold on to mobile homes than to sell them.

Mr. Swain asked about the status of the bulk sales of condominiums between AHFC and MGIC?

Ms. Nelson stated that they're concerned about those homeowners who remain in certain condo projects.

Mr. Hoofard asked if they have any numbers on the HOF program delinquency rate?

Ms. Nelson stated that the program has experienced a high rate of delinquency. They have found that if the homeowner hasn't contributed enough of a downpayment, the delinquency rate is higher. A longer loan term with a smaller downpayment equates with a higher delinquency rate.

She added that with this program there is an incentive problem; when the homeowner's income increases -- their subsidy decreases.

Ms. Ingman asked about the issue of mortgage insurance?

Ms. Nelson responded that it makes the most sense for AHFC to do a joint venture with mortgage insurers as an incentive for them to insure Alaskan loans.

Mr. Arwezon asked about the delinquency rate on the HAD portfolio.

Ms. Nelson responded that it is difficult to find financing for this portfolio. They are currently putting together a financing program.

Ms. Murphy asked where they are in their negotiations with MGIC?

Ms. Nelson responded that they have made some progress in the upcoming bulk sales. Both AHFC and MGIC are working on this program. They've been discussing it for 1 1/2 years.

**PRESENTATION BY CAROL JACKSON, RESOURCE DEVELOPMENT ANALYST,
ALASKA STATE HOUSING AUTHORITY**

Ms. Jackson is currently developing homeownership opportunities for persons in ASHA programs. This model program will begin in Anchorage. This program is part of Secretary Kemp's directives to public housing authorities.

11 of the Willow Park replacement units will be used as model units in a lease-purchase homeownership program. 6 will be zero-lot line, 5 single-family dwellings. The purchase price won't exceed \$50,000. 1 -2% of the sales price of each unit will be

set aside as a downpayment.

When a dwelling is purchased, a new property will be offered as part of the program.

ASHA is also considering developing an urban homesteading program and co-operative housing, similar to Anchorage Neighborhood Housing's Mutual Housing Program.

ASHA has received a \$61,000 technical assistance grant, which will go to those residing in Loussac Manor. That money will primarily go to tenant managers. \$11,000 will go to developing a housing counseling program.

Ms. Jackson added that there are 4 million homeless persons in the U.S. ASHA is trying to meet this goal in addition to their other goals.

Sen. Pourchot stated that, a few years ago, the Legislature appropriated \$2 million to purchase housing for the developmentally disabled. He asked, what happened to that money?

Mr. Mandzik, from the Div. of Mental Health, stated that most of the capital has gone to purchase housing. It is likely that they will also purchase a property in Seward and one building in Dillingham. 70 persons will be housed as a result of the appropriation. In Anchorage, 10 persons have been housed at ARCA, 14 at the Southcentral Counseling Center.

Mr. Mandzik asked Ms. Jackson if there will be an expansion of Section 8 programs.

Ms. Jackson responded that many of the new programs proposed by Secretary Kemp will have additional vouchers as incentives. She added that ASHA is often applying for additional certificates for Alaska.

ASHA is also hoping to expand their homeownership program into the Fairbanks area.

ASHA is looking at the possibility of issuing tax-exempt bonds for housing development.

Ms. Ingman asked Mr. Mandzik how a \$2.35 million appropriation translated into housing for 70 people.

Mr. Mandzik responded that funds were spent for advertising through RFP's. Also, housing purchased in rural areas was far more expensive than in urban areas. Administrative costs at the Div. of Mental Health & Developmental Disabilities and ASHA were expensive.

He added that if the Div. of Mental Health oversees another such project, they will try to do it entirely themselves and spread the program among mental health centers throughout the state.

REVIEW OF MISSION STATEMENT BY FULL COMMITTEE

The committee adopted a new mission statement which reads:

Safe, sound, sanitary and energy efficient living conditions should be available to all citizens of the state.

REVIEW OF POLICY STATEMENT #2

The committee discussed SB 300, currently pending in the Legislature, which relates to the State adopting a statewide building code.

Sen. Pourchot said he doesn't think the chances for passage for this bill are very high. He added that a more workable method may be for the Departments to adopt amended codes by regulation.

Action Plan #1 was amended by the full committee to read:

State agency regulations pertaining to housing and construction standards should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented.

Action Plan #2 was revised by the full committee to read:

The Alaska Housing Finance Corporation and the Department of Community and Regional Affairs should adjust their loan programs to be appropriate to regional housing conditions. It is recognized that secondary investors and/or insurers, for instance, the Federal Housing Administration, may be unwilling to participate in mortgage lending in certain areas of the state. The regionalization of AHFC and DCRA loan programs should be consistent with prudent lending standards.

Action Plan #3 was eliminated as staff had contacted DFYS and discovered no such housing space requirements exist for foster homes in the Bush.

REVIEW OF POLICY STATEMENT #3

This policy statement was approved with the following change:

It is the policy of the State of Alaska to encourage communities to take an active role in housing and land use issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand.

Action Plan #1 was adopted by the full committee.

Action Plans #2 and #3 were amended, combined, and approved to read as follows:

Municipal governments should be encouraged to facilitate establishment of transitional group housing. Zoning laws which prohibit group homes should be revised to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities should be encouraged.

REVIEW OF POLICY STATEMENT #4

This statement was adopted as written.

Action Plan #1 was amended and adopted to read as follows:

The State of Alaska should become actively involved in assisting private developers and non-profits in obtaining financing for planning and development of units which are affordable to low-income Alaskans.

Action Plan #2 was adopted as written.

Action Plan #4 was amended and moved to #3 and reads as follows:

State law should be modified so that state agencies involved in housing finance can lend to non-profit housing developers. This may include statutory changes to AHFC and AIDEA and changes in policies and procedures to DCRA and ASHA.

A new #4 was created and adopted as follows:

The state recognizes the important niche which non-profit housing developers fill in the provision of housing. Local financial institutions, local governments and the secondary mortgage market should be encouraged to provide funding for that purpose.

REVIEW OF POLICY STATEMENT #5

Committee member Mr. Mandzik, from the Division of Mental Health & Developmental Disabilities, discussed some of his comments to the committee on the needs of the mentally ill. He said that there are tremendous mental health needs in the state. He recommended that Policy Statement #5 be amended to eliminate Action Plans #14 - 16 and DMHDD's suggestions #2 -9 (from their letter) be inserted instead. Or, a new policy statement should be created which deals only with the mentally ill and developmentally disabled.

A motion to substitute the DMHDD's recommendations (from their letter) failed.

Mr. Swain made a motion to remand these issues back to the Transitional Subcommittee for further work.

This was approved by the full committee.

Mr. Mandzik stated that it is unfair to single out seniors for their own policy statement and made a motion that the Transitional Subcommittee consider Policy Statement #11, too.

This was voted down by the full committee.

REVIEW OF POLICY STATEMENT #6

Mr. Swain read Rep. Rieger's comments to this policy statement. Rep. Rieger disagreed with Action Plan #1, which prioritizes who state funds should go to.

The committee voted on a motion to remove Action Plan #1. This was not approved.

PUBLIC TESTIMONY

Kit Ballentine, Department of Environmental Conservation

Ms. Ballentine stated that DEC is responsible for regulation of public facilities.

She spoke to Policy Statement #2, Action Plan #1. The Division is opposed to regionalization because they have accepted standards which should not be deviated from.

She stated that all sections of DEC's regulations can be waived with proper explanation. DEC is currently revising many of their regulations and would be happy to discuss the revisions with the committee.

Mr. Helms stated that regional housing directors have a problem with slow approval of water and sewer facilities by the Department.

Ms. Ballentine stated that she would take that concern back.

Mr. Borjesson asked about their appeals process.

Ms. Ballentine responded that a waiver application must be filled out. The party must explain why the regulation can't be met. The application is first reviewed at the district level - then goes to the regional level for consideration.

Mr. Borjesson asked if DEC would be supportive to having a board above them which would review concerns about regulations.

Ms. Ballentine stated that DEC regulations operate on public health principles. Those need to be followed.

Alise Peck, Alliance for the Mentally Ill

Ms. Peck stated that the Alliance is currently doing a study of Adult Residential Care Centers. The greatest need is for Anchorage's street people.

Also, there are few housing resources for children.

Rose Munafo, Dept. of Corrections

Ms. Munafo spoke briefly about the Dept. of Corrections' housing needs. She was informed that the Transitional subcommittee would be having a special meeting on these issues and she would be invited to attend.

Terry Hoke, Regional Program Specialist II, Div. of Mental Health & Developmental Disabilities

Mr. Hoke primarily works with the developmentally disabled in the Southcentral region. He stated that he has consumers with a variety of serious housing needs. There are children in acute care hospitals who could move into appropriate housing, but there is none available. Many of his consumers wish to move into less restrictive settings, but they are unable to find or purchase housing. That could be their own home, a group home or a supervised apartment setting. Many people are in nursing facilities because there is no handicapped housing to go to.

He asked the Legislature to look at the important needs of the developmentally disabled when considering appropriating funds for housing.

Rosalee Walker, Juneau

Ms. Walker stated that the State Government should be aware that some of their activities can cause problems for low-income persons. In Juneau, the State condemned the Marine View Apartment Building and helped residents to move out. The building stayed empty for three years. Later, it was bought by an outside developer and set up as an office building. There had been no structural changes to the building. Recently, the State let a contract to a developer to build a new DEC building on the site of the Channel Apartments. Those residents (mostly low-income) were told to leave in thirty days. Residents experienced hardship because many did not have the first and last month's rent for a new apartment. There are still homeless people

suffering as a result of that situation. The state should consider the impacts on low-income residents, when making development decisions.

Colleen Patrick-Riley, Mentally Ill Offender Task Force, Alaska Psychiatric Institute

Ms. Patrick-Riley spoke briefly on the crucial need for halfway houses for mentally ill offenders. She also was invited to attend the special Transitional meeting.

CONTINUED REVIEW OF POLICY STATEMENT #6

Rep. Rieger spoke against Action Plan #1.

A motion was made to add the word "annually" into Action Plan #2. This was not approved.

A motion was made to adopt Action Plans #1 and #2.

Rep. Rieger made a motion to vote on Action Plans #1 and #2 separately.

Ms. Parker stated that she would allow the motion to be divided.

Mr. Bess called the question.

Mr. Borjesson called a point of order. He stated that the original motion would supersede.

The motion to adopt both Action Plans #1 and #2 was not approved.

Rep. Rieger made a motion to adopt Action Plan #2. It was adopted.

Mr. Bess made a motion to adopt Action Plan #1 as written. This was seconded by Mr. Borjesson.

Ms. Ellyson made a motion to drop the words "low income." This was not approved.

Action Plan #1 ; then approved by the full committee.

REVIEW OF POLICY STATEMENT #7

Action Plan #1

Mr. Swain made a motion that Action Plans #1 and #2 be combined and reworded. This was approved.

The new Action Plan #1 reads:

1. State agencies with mortgage lending programs should approve and follow prudent industry lending standards and downpayments should be required.

A motion was made to adopt Action Plan #3, dealing with homeowner counseling.

Rep. Rieger stated that counseling should be offered, but should not be mandatory.

Ms. Murphy proposed the following amended Action Plan. It was approved by the committee:

2. The state should encourage participation in a homeowner counseling and education program to work in partnership with new federal housing mandates, which direct states involved in low-income homeownership programs to offer homeowner counseling services.

Action Plan #4

Rep. Rieger stated that the lending community has proved that "no downpayment" loan programs are unrealistic.

It was moved to strike this action plan. This was approved.

Action Plan #5

Ms. Gunnels explained this action plan.

This action plan was not approved by the full committee.

A new Action Plan, relating to disclosure to borrowers by mortgage loan servicers, was proposed by the Urban/Rural Subcommittee.

Ms. Murphy stated that the second part of the plan needed clarification. For instance, who will decide what faulty servicing is?

The new action plan was approved as follows:

There should be greater disclosure to borrowers that mortgage loan servicing can be sold to another institution, unless specified otherwise in the loan servicing agreement. The State of Alaska should adopt greater penalties and clearer recourse should occur in the case of faulty loan servicing (application of mortgage proceeds, payment of taxes or insurance).

REVIEW OF POLICY STATEMENT #8

This policy statement and it's action plan were adopted as written.

The committee took a break at 2:50 p.m.
They re-convened at 3:05 p.m.

PRESENTATION BY PEGGY STEWART, ALASKA HOUSING MARKET COUNCIL

Ms. Stewart is researching the feasibility of creating an Alaska Housing Commission in the state.

She discussed that she is researching three alternatives: establishing an independent commission, the creation of a "SuperBoard," and the establishment of a Department of Housing.

She described the costs and staffing requirements of an independent commission. Those estimates are attached.

Ms. Stewart asked the committee if there were any specific areas they needed research on.

Mr. Borjesson stated that there is a need for regional boards to support a commission. He didn't think a 9-member board would meet all the public's housing needs.

Mr. Helms stated that he believes the board should be larger, that it should be voluntary and should be predominately made up of public members.

Ms. Stewart stated that the most effective boards have 7 - 11 members.

Rep. Brown commented that it is important that a commission have an effective mechanism to carry out it's work. She would be interested in how that would occur with an independent commission.

Mr. Bess asked the legislators what kind of commission the Legislature would support?

Rep. Rieger responded that, he believes:

1. The implementation of policy has to be in the lap of the Governor.
2. Regional representation and public input to the Commission is important.

3. Possibly the Commission should be temporary with specific functions and changing members.

Rep. Brown stated that proposals to create new Departments don't seem to go far in the Legislature. Legislators are very concerned about cost. She added that a well-reasoned proposal that streamlines state government has a better chance for approval in Juneau.

Rep. Brown added that she would be interested in what problems the different agencies would anticipate with merged boards?

Mr. Borjesson stated that he's interested in seeing research on the differences between geographic and regional representation on the board.

Mr. Barrier said that he's interested in which states have had effective commissions and how they have worked.

Mr. Kaye stated that he's interested in working committees that can feed input to a commission.

Ms. Stewart stated that she will also do additional research on housing needs in the state and federal housing funds coming into the state.

REVIEW OF POLICY STATEMENT #9

Mr. Barrier made a motion to adopt the Urban/Rural Subcommittee's amended policy statement. That was approved. The amended statement reads:

It is the policy of the State of Alaska to minimize direct involvement of state government in the secondary mortgage market, with the primary exception of accessing capital markets in order to finance the state's housing needs.

Action Plan #1 was dropped by the full committee and a new Action Plan #1 was created and adopted to read:

1. In an effort to help solve the hesitance of private mortgage insurers and investors to underwrite mortgage loans in Alaska, the state should develop a plan for encouraging participation in the state by private insurers and investors.

A new Action Plan #2 was proposed by Ms. Murphy. It was adopted to read:

2. The state should continue to direct economic assistance for rural housing and low to moderate-income housing programs.

Action Plan #3 was adopted by the full committee.

REVIEW OF POLICY STATEMENT #10

It was moved to adopt this policy statement. It was adopted. Action Plan #1 was broken into three action plans and approved to read:

1. The state should encourage the development of housing partnerships in the state and should provide pre-development financing for certain rental projects.
2. The state should examine the feasibility of converting appropriate foreclosed housing to rental units.
3. AHFC & DCRA lending practices should be expanded to allow mortgage loans for non-profits so that those developers would have the means to create affordable rental housing.

REVIEW OF POLICY STATEMENT #11

Ms. Arajji made a motion to accept the Transitional Subcommittee's revised version of the policy statement.

Rep. Brown seconded.

Ms. Ellyson recommended the "continuum of care" statement in the policy also be inserted in Policy Statement #5.

Policy Statement #1 was revised and approved to read as follows:

It is the policy of the State of Alaska to recognize that Senior Alaskans should have access to affordable housing. The state should implement a housing program for seniors which emphasizes a continuum of care services. Supportive services should be available which allow seniors to live independently at their level of ability.

Action Plan #1 was discussed at length. A revised action plan was proposed by Rep. Rieger. This was approved to read:

1. Regulations governing the construction of senior housing must be reviewed and made more flexible where appropriate. State housing regulations should be changed so that two categories of housing are created; medical and assisted living models. Medical models should be further developed into "intermediate care" and "long term care." Assisted living models should be developed to include models which are distinguished by nutrition needs, housekeeping needs, personal care needs, transportation needs and other non-medical needs.

Ms. Ellyson made a motion that the statement referring to "continuum of care" be pulled out as a separate policy statement. This was not approved.

Mr. Borjesson moved to adopt Action Plan #2. This was approved. It was also recommended that this plan be considered by the Transitional Subcommittee at their special meeting.

Next HPDC Meeting

The committee discussed the next HPDC meeting, which is scheduled for November 3, in Anchorage. Staff stated that the full committee would be brought to Anchorage for the meeting.

There will be a special reception at Rick and Thea Barrier's that evening.

The full committee was adjourned at 4:50 p.m.

MEMORANDUM

State of Alaska

TO: Heather Arnette
Alaska Housing
Market Council
Department of Commerce
and Economic Development

DATE: October 13, 1989

FILE: 1802

PHONE: 465-3170

SUBJECT: Comment AHMC
Mission Statement
and Action Plans

RW
FROM: Russ Webb, Director
Division of Family
and Youth Services
Department of Health
and Social Services

Pat O'Brien of the Division's Central Office has reviewed the AHMC Mission and Policy Statements and Action Plans. She has prepared the comments below on behalf of the Division. The comments are organized following the same format and numbering system used in your original document.

Policy Statement #1

Action Plan:

6. You may wish to consider focusing this activity statement more specifically on coordinated planning among the various agencies with regard to housing services. Coordination of planning among these agencies should occur for a variety of reasons but the specific issue being addressed in your action plan should be clearly stated. Additionally, you may wish to address coordination in planning with this division and the Older Alaskans Commission. Each of these agencies has housing-related responsibilities for particularly vulnerable populations.

8. Good. Coordinating interdepartmental regulations is an endeavor that is often not appreciated, but critically important for effective administration.

9. Donation of foreclosed properties for use as transitional and long-term special needs facilities and senior housing is appropriate. "Special needs" facilities are not defined. The

definition of such facilities should include those facilities the Division has identified as critically needed. These are family child care homes, adult foster homes and group homes, child day care, and dependent adult care (including the elderly). In both the child day care and the dependent adult care field, many providers are private for profit. For these facilities, low interest loans may be appropriate rather than donated property.

10. Housing partnerships should be defined.

Policy Statement #2

There should be no regionalization of minimum standards for life safety and sanitation. Minimum standards should be met regardless of location; however, differences may be accounted for in optional requirements. For example, larger, more developed communities such as Anchorage may adopt higher standards but none should fall below minimum standards.

Action Plan:

1. See the comment above regarding the policy statement. Environmental Health regulations are in the revision process now and will be available for comment by the users of facilities as well as industry. If a task force were formed, users and related agencies should also be involved. Current regulations contain a waiver provision and an appeal process regarding closure for public health reasons. You may wish to refine this recommendation.

3. This recommendation is unnecessary and reflects a misunderstanding of the requirements of foster care regulations. It presumes that current regulations contain housing standards which are unrealistically restrictive for application in rural Alaska. In fact, it perpetuates a myth. There are not now and never have been foster home housing space requirements except in keeping with community standards. Regulations provide as follows:

"A foster home must be large enough to provide sufficient space for both the family and the foster children, and be furnished and equipped to accommodate them comfortably in keeping with community standards."

Ms. Heather Arnotte

- 3 -

October 13, 1989

These standards were specifically designed to recognize and accommodate for housing conditions in rural Alaska. Your report could be helpful in dispelling the common misperception regarding foster care housing requirements which impede our ability to recruit needed foster homes. At a minimum, it should not perpetuate the misunderstanding.

Policy Statement #3

Action Plan:

2. and 3. We support those recommendations but would prefer they not be limited to "transitional" housing. Group homes serve children for child day care, children and youth for residential care and treatment, adults experiencing a developmental disability, mental illness or other condition requiring supported living, and the frail elderly.

Policy Statement #4 and Action Plan

The Division supports the concept of this statement and plan.

Policy Statement #5

Action Plan:

4. The issue here is primarily one of providing housing services for runaway and homeless youth. Lack of a statutory basis and funding rather than regulations have been the factors limiting service to this population. This was addressed by the legislature in 1988 through passage of SB 79 which authorized the Department to grant funds to programs providing shelter and other services for runaway and homeless youth. No funds were appropriated for such grants, however. Regulations required to govern operation of such programs are under development.

5. DFYS strongly supports this recommendation. House Bill 177, sponsored by the HESS committee, would provide for such programs. Representative Johnny Ellis can provide information on this bill.

Policy Statement #6

Agreed.

DFYS - Russ Webb

Ms. Heather Arnette

- 4 -

October 13, 1989

Policy Statement #11 and Plans

(a) While we have no problem with the concepts contained in this statement and plans, it should be noted that some non-medical supportive living models will require licensure. Current adult foster and residential care regulations are a basic description of the non-medical model where adults in care continuously require the immediate availability of care providers. These regulations were coordinated originally with medical licensing and are currently scheduled for review in March 1989. They apply to all care facilities for all dependent adults, including the elderly. Coordination needs also to occur with senior housing accommodations where elements of supported living have been incorporated and are increasing.

(b) While we do not disagree, the comment on homemakers is a funding issue. There are insufficient funds at this point to implement the recommendation.

Policy Statement 13

Action Plan:

1. As previously noted, we support accommodation of regional differences ~~except~~ for basic life and health safety considerations. Additionally, it is our understanding that strict adherence to the Uniform Building Code would block a multi-departmental effort to facilitate the expansion of group homes, particularly in the field of child day care. The fire marshal's office has completed national research on group homes and should be consulted in this area.

We are disappointed that the regulations are silent on group homes for the elderly and on group homes for child day care, as there has been a multi-department effort to develop coordinated regulations to facilitate group home development. Pat O'Brien has estimated a need for up to 20 adult group homes over the next three years, and up to 75 group homes for child day care over the next five years. Perhaps your meeting with the interdepartmental committee will serve to formulate additional recommendations.

Ms. Heather Annette

- 5 -

October 13, 1989

RW:POB:jr:rkh

cc: Karen Perdue, Deputy Commissioner
Department of Health and Social Services
Yvonne M. Chase, Deputy Commissioner
Department of Health and Social Services

October 19, 1989

COMMENTS ON HPDC RECOMMENDATIONS - STATE FIRE MARSHALL SAM NEAL
AND BILL DAVIS, DIV. OF FIRE PREVENTION

General Note:

The committee should make reference to the creation of a new category of group homes which can house to 16 persons. This new category in state regulation makes it more economical to develop these homes since they require less expensive fire prevention measures.

1. Policy Statement #11 - Senior Housing

Medical and non-medical needs should be clearly defined.

2. Policy Statement #13 - Quality Standards

It is important to note that funding is essential to enforce building codes. Without that, this is a moot point.

The issue of regional amendments to a building code is inappropriate because certain basic life safety requirements are essential. The requirements in the Uniform Building Code are so basic that regional amendments are inappropriate.

ALASKA HOUSING MARKET COUNCIL
10/20/89
REVISED:
MISSION STATEMENT:

DRAFT

SAFE, SOUND, SANITARY AND ENERGY EFFICIENT LIVING CONDITIONS
SHOULD BE AVAILABLE TO ALL CITIZENS OF THE STATE.

FULL HOUSING POLICY DEVELOPMENT COMMITTEE

DRAFT ACTION PLANS

Policy Statement #1

It is the policy of the State of Alaska to adopt and execute a state housing policy and facilitate coordination of housing services by establishing an Alaska Housing Commission.

Action Plan:

1. The Alaska Housing Commission shall report directly to the Governor.
2. The Commission's composition shall reflect regional representation and shall include public members and representatives from the following: the housing and real estate industry; special needs groups; and rural areas. Representatives from state agencies with housing or mortgage loan programs will serve in an advisory capacity only.
3. The Commission shall provide information on housing opportunities to the public and shall oversee state agency information services.
4. The Commission shall be the designated agency to review and distribute federal funds for housing and shall designate recipients throughout the state.
5. The Commission shall be charged with state agency housing program review, coordination and oversight. All new or amended housing or mortgage loan regulations must be approved by the Commission to ensure that they conform to the intent of the state housing policy. The Commission shall clarify the roles of the Alaska Housing Finance Corporation, the Alaska State Housing Authority, and the Department of Community and Regional Affairs in the housing market.
6. The Commission shall be charged with writing a long term housing plan for the state and updating the plan periodically. State agencies, including the Alaska Housing

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Finance Corporation, the Alaska State Housing Authority, the Department of Community and Regional Affairs, the Division of Mental Health & Developmental Disabilities, the Division of Alcoholism and Drug Abuse, and the Council on Domestic Violence & Sexual Assault, shall develop statewide service plans in conjunction with each other and the state housing plan to insure coordination and efficiency of service delivery. The Alaska Housing Finance Corporation and the Department of Community and Regional Affairs shall develop short and long-term business and regional strategic plans.

7. The Commission shall conduct periodic statewide housing needs assessments on housing and financing availability.
8. The Commission shall direct state agencies to review housing regulations under their jurisdiction, comparing them to other agency regulations, and revising where appropriate to eliminate conflict and duplication.
9. The Commission shall be charged with reviewing the use of and disposition of state agency-owned foreclosed properties and shall provide information to interested parties regarding available properties. The Commission shall encourage AHFC, banks and secondary institutions to donate foreclosed properties for use as transitional and long term special needs facilities and senior housing where appropriate.
10. The Commission shall actively facilitate the creation of housing partnerships and provide advice and technical assistance on the development of those partnerships.

Policy Statement #2

It is the policy of the State of Alaska to recognize the significant differences in housing needs, standards and requirements across the state. As a result, state policies, programs, procedures, and regulations shall be regionalized to the greatest extent possible.

Action Plan:

1. State agency regulations pertaining to housing and construction standards should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented.
2. The Alaska Housing Finance Corporation and the Department of Community and Regional Affairs should adjust their loan programs to be appropriate to regional housing conditions. It is recognized the secondary investors and/or insurers, for instance, the Federal Housing Administration, may be

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unwilling to participate in mortgage lending in certain areas of the state. The regionalization of AHFC and DCRA loan programs should be consistent with prudent lending standards.

Policy Statement #3

It is the policy of the State of Alaska to encourage communities to take an active role in housing and land use issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand.

Action Plan:

1. Local governments should include a housing plan, listing how housing needs can be met, as part of their comprehensive planning process.
2. Municipal governments should be encouraged to facilitate establishment of transitional group housing. Zoning laws which prohibit group homes should be revised to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities should be encouraged.

Policy Statement #4

It is the policy of the State of Alaska to improve the availability, accessibility and affordability of housing for people with limited or low incomes.

Action Plan:

1. The State of Alaska should become actively involved in assisting private developers and non-profits in obtaining financing for planning and development of units which are affordable to low-income Alaskans.
2. Existing state agency-owned foreclosed properties should be considered for conversion to low income housing units, if economically and structurally feasible.
3. State law should be modified so that state agencies involved in housing finance can lend to non-profit housing developers. This may include statutory changes to AHFC and AIDEA and changes in policies and procedures to DCRA and ASHA.
4. The state recognizes the important niche which non-profit housing developers fill in the provision of housing. Local

financial institutions, local governments and the secondary mortgage market should be encouraged to provide funding for that purpose.

Policy Statement #5

It is the policy of the State of Alaska to improve the availability, accessibility and affordability of transitional and long term housing for those with special needs.

Action Plan:

1. The role of the Alaska Housing Finance Corporation and the Department of Community and Regional Affairs should be expanded to allow mortgage loans to non-profits for transitional and long term housing for those with special needs. This should be a cooperative effort with rural housing authorities.
2. The U.S. Department of Housing and Urban Development should be encouraged to change regulations so that transitional housing tenants can be charged a small amount to support operating expenses. Also, if needed, Alaska's congressional delegation should be contacted about the differences among HUD program requirements, which makes it difficult for housing providers to utilize HUD programs.
3. State programs that provide temporary housing and services to Rural Alaskans who must come to regional centers for medical or other treatment should be adequately funded. In particular, more low-cost transitional family units should be offered, on a sliding fee scale, for Rural Alaskans who move to regional centers for services.
4. Division of Family and Youth Services regulations should be changed so that housing services for non-State custodial teens can be funded or some form of financial assistance can be provided for programs assisting these teens.
5. State legislation that funds independent living programs for youth should be supported.
6. Facilities for persons with AIDS, which offer continuing care, must be identified and funded. Also, a centralized agency must be identified to focus on the housing needs of AIDS patients.

The following transitional and long term housing for special needs areas have also been identified as needing funding:

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7. Need for additional emergency shelter space for families with children, to include those with medical need.
8. Need for transitional housing for families leaving women's shelters.
9. Need for 150 additional beds, in halfway house settings, for substance abusers.
10. Need for housing and support services for pre-maternal teens and teens with infants. More child care programs that allow teens with children to attend school should be funded.
11. Need for structured housing environments for ex-offenders.
12. Need for group facilities for persons with handicap(s).
13. Need more programs for the neurologically impaired.
14. Long term (semi-independent) housing for the mentally disabled.
15. Short and long term facilities for those with head injuries and brain trauma.
16. The Capital Projects Land Fund in the Mental Health Lands Trust Account should be used to fund projects such as those listed below.
 - a. Transitional halfway houses for mentally ill after leaving Alaska Psychiatric Institute.
 - b. Long term "sleep off" centers for inebriates with problems so ingrained that treatment won't help.
 - c. Structured housing environment for mentally ill with criminal records.
 - d. Long term care facility for chronically mentally ill who refuse psychiatric treatment.
17. Buildings for people with special needs should be renovated or built in accordance with the "Uniform Federal Accessibility Standards," produced by the Department of Transportation.

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Policy Statement #6

It is the policy of the State of Alaska, in the allocation of state housing resources, to give first funding priority to the state's most urgent housing needs.

Action Plan:

1. Currently, the most urgent housing needs in the state are for rural and low income residents. Those needs should be given funding priority.
2. A function of an Alaska Housing Commission should be to maintain comprehensive information on housing needs statewide and keep track of the most urgent housing needs in the state. When state funds are designated to meet housing needs, the commission should identify which areas of the state and which target populations are most in need of housing resources.

Policy Statement #7

It is the policy of the State of Alaska to encourage and assist the citizens of the state in homeownership opportunities in a fiscally responsible manner.

Action Plan:

1. State agencies with mortgage lending programs should approve and follow prudent industry lending standards and downpayments should be required.
2. The state should encourage participation in a homeowner counseling and education program to work in partnership with new federal housing mandates, which direct states involved in low-income homeownership programs to offer homeowner counseling services.
3. There should be greater disclosure to borrowers that mortgage loan servicing can be sold to another institution, unless specified otherwise in the loan servicing agreement. The State of Alaska should adopt greater penalties and clearer recourse should occur in the case of faulty loan servicing (application of mortgage proceeds, payment of taxes or insurance).

Policy Statement #8

It is the policy of the State of Alaska to encourage housing partnerships which include public, private and non-profit entities, in order to foster and develop low-income and affordable housing in the state.

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Action Plan:

1. Benevolent loan funds, consisting of private donations, private and public financing, should be encouraged.

Policy Statement #9

It is the policy of the State of Alaska to minimize direct involvement of state government in the secondary mortgage market, with the primary exception of accessing capital markets in order to finance the state's housing needs.

Action Plan:

1. In an effort to help solve the hesistance of private mortgage insurers and investors to underwrite mortgage loans in Alaska, the state should develop a plan for encouraging participation in the state by private insurers and investors.
2. The state should continue to direct economic assistance for rural housing and low to moderate-income housing programs.
3. Where state agencies can access materially lower cost capital from secondary market lenders than funds available in the private sector, this may be done and the lower interest rates should be passed through to the public.

Policy Statement #10

It is the policy of the State of Alaska to promote the availability of quality, affordable rental housing.

Action Plan:

1. The state should encourage the development of housing partnerships in the state and provide pre-development financing for certain rental projects.
2. The state should examine the feasibility of converting appropriate foreclosed housing to rental units.
3. AHFC & DCRA lending practices should be expanded to allow mortgage loans for non-profits so that those developers would have the means to create affordable rental housing.

Policy Statement #11

It is the policy of the State of Alaska to recognize that Senior Alaskans should have access to affordable housing. The state should implement a housing program for seniors which emphasizes a

continuum of care services. Supportive services should be available which allow seniors to live independently at their level of ability.

Action Plan:

1. Regulations governing the construction of senior housing must be reviewed and made more flexible where appropriate. State housing regulations should be changed so that two categories of housing are created; medical and assisted living models. Medical models should be further developed into "intermediate care" and "long term care." Assisted living models should be developed to include models which are distinguished by nutrition needs, housekeeping needs, personal care needs, transportation needs and other non-medical needs.
2. The state should implement a "continuum of care" housing program for seniors and should adequately fund necessary supportive services, which allow seniors to remain independent for as long as possible.
 - a. A case management system, which matches seniors with appropriate services, should be implemented by the state.
 - b. State and other funded supportive services, such as homemaker assistance, should be expanded to 7 days a week.
 - c. Financial assistance and training for home repair and maintenance should be increased.

Policy Statement #12

It is the policy of the State of Alaska to develop and maintain stable sources of capital and revenue to support housing needs in the state.

Action Plan:

1. The state should participate in the issuance of tax-exempt bonds, as well as taxable forms of financing, to provide the best market rate for the creation of low to moderate-income housing.
2. The state should also encourage the usage of 501c3 bonds by non-profit corporations as a means to create affordable and special needs housing.
3. State regulations should be changed so that grant monies can be used to pay for mortgage loans.

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4. Other sources of funding should be considered to meet essential housing services, including the possibility of instituting a state sales tax.
5. The state should encourage the development of Neighborhood Housing Services in communities across the state.
6. The state should consider the creation of a "Housing Trust Fund" as a source of housing revenue.
7. The state should support the creation of a new "HOME" Corporation within the federal government, which will provide housing funds to states and local communities.
8. The state should review the new national FSLIC program for use as an additional source of housing funds. If a state does not have savings and loans institutions that qualify for the bond program, regional housing authorities can qualify for the bonds.

Policy Statement #13

It is the policy of the State of Alaska that housing in the state should meet specific quality standards.

Action Plan:

1. The state shall adopt the entire Uniform Building Code, and allow for regional differences and amendments.
2. The state shall adopt more stringent contractor licensing requirements.
3. The state should actively lobby for and support the financing of home improvements in rural areas under the federal Mutual Help program and Housing Improvement Program.
4. State agencies should not fund the financing of new construction of substandard housing, nor should they finance existing homes which meet the definition of substandard, with the exception of regional differences.

10/23/89

SUBCOMMITTEE INPUT ON HPDC RECOMMENDATIONS
UNRESOLVED BY FULL COMMITTEE

MISSION STATEMENT

Amend to read:

Safe, sanitary, and energy efficient living conditions
should be available to all citizens of the state.
(Urban/Rural)

POLICY STATEMENT #1

The Housing Commission structure (proposed by Rep. Kay
Brown) was adopted. (Transitional)

Action Plan #1

Add: the Boards of ASHA and AHFC would be eliminated and
the executive directors of those agencies would serve as
advisors and at the pleasure of the Housing Commission. The
Commission would consist of 10 members: one commissioner
from DCRA and the Department of Revenue, and eight public
members. (Transitional)

Action Plan #2

Add: Staffing for the commission shall come from existing
state agencies and funding from existing agencies'
resources. (Transitional)

Action Plan #4

Reword: The Commission shall be the designated state agency
to review housing needs and request funds for housing and
designate recipients throughout the state. (Transitional)

Action Plan #5

Reword: The Commission shall be charged with state agency
housing program review, coordination and oversight. All new
or amended housing or mortgage loan regulations must be
approved by the Commission to ensure that they conform to
the intent of the state housing policy. The Commission
shall direct the activities of the Alaska Housing Finance
Corporation, the Alaska State Housing Authority, and the
housing programs within the Department of Community and

Regional Affairs. (Transitional)

Action Plan #6

Reword: The Commission shall be charged with writing a long term housing plan for the state and updating the plan periodically. State agencies, including the Alaska Housing Finance Corporation, the Alaska State Housing Authority, the Department of Community and Regional Affairs, the Division of Mental Health & Developmental Disabilities, the Division of Alcoholism and Drug Abuse, and the Council on Domestic Violence & Sexual Assault, shall advise the Housing Commission of housing needs within their area of responsibility. (Transitional)

Action Plan #8

Reword: The Commission shall review housing regulations of the agencies under its jurisdiction, and advise where appropriate to eliminate conflict and duplication. (Transitional)

Action Plan #9

Reword: The Commission shall review the use of and disposition of state agency-owned foreclosed properties and shall provide information to interested parties regarding available properties. The Commission may direct AHFC and encourage banks and secondary institutions to donate foreclosed properties for use as transitional and long term special needs facilities and senior housing, where appropriate. (Transitional)

POLICY STATEMENT #2

Action Plan #1

Subcommittee did not understand this action plan. Request clarification from full committee. (Transitional)

Reword: State agencies with regulations pertaining to housing standards should be analyzed by a task force of industry and government for regional flexibility and an appeals process should be implemented. (Urban/Rural)

Subcommittee recommends that task force created also address building codes. Add: "housing and construction" after "Department of Environmental Conservation's." (Low-Income/Affordable)

Action Plan #2

Subcommittee requests clarification on this action plan from full committee. (Transitional)

POLICY STATEMENT #3

Reword: It is the policy of the State of Alaska to encourage communities to take an active role in housing issues, recognizing that local control is preferable to central control, because local governments can best balance the needs of the public with the private determination of supply and demand. (Transitional)

Action Plans 1, 2, & 3

Reword: Through DCRA, local government shall be encouraged to do the following:

- 1) Include a housing plan as part of their comprehensive planning process.
- 2) Revise zoning laws to be consistent with anti-discriminatory statutes (including the amendments to the Fair Housing Act), and integration of transitional housing residents into communities.
- 3) Review and revise zoning requirements to facilitate establishment of transitional group housing.
(Transitional)

Action Plan #3

The subcommittee voted to remove this action plan, because it felt that most governments already have this ability under current municipal ordinances. It may be possible to include this in the policy statement. (Low-Income/Affordable)

POLICY STATEMENT #4

Subcommittee wants non-profits to be able to participate in any type of subsidy program. (Transitional)

Action Plan #3

Add: An educational program should be developed through state agencies and the secondary market to encourage funding of applications for qualified low income/affordable housing projects. (Low Income/Affordable)

POLICY STATEMENT #5

Action Plans #5 - 17

Combine: The Housing Commission should be given the responsibility to prioritize, review and seek funding for the listed action plans. (Transitional)

Action Plan #2

Remove: "also if needed." Move second sentence to policy statement #12, because it should apply to all HUD programs, not just transitional housing. (Low Income/Affordable)

Action Plan #4

Reword: State programs that provide temporary housing and services to Rural Alaskans who must come to regional centers for medical or other treatment should be adequately funded. (Transitional)

Action Plan #5

Remove. (Low Income/Affordable)

Action Plan #7

Not specific - doesn't meet SPAMO. (Low Income/Affordable)

Action Plans #8 - 17

Combine: Into one action plans, for example, 8a, 8b, 8c, etc. (Low Income/Affordable)

POLICY STATEMENT #6

Action Plan #1

Make this a finding of the report, not an action plan. (Low Income/Affordable)

Action Plan #2

Make this #1, and add the word "annually" after "should identify." (Low Income/Affordable)

POLICY STATEMENT #7

Action Plan #1

Not specific enough. Change "should approve...." to "should develop/adopt accepted industry lending standards." (Low Income/Affordable)