

ALASKA LEGISLATURE COMMITTEE FILES 1987-88 8672

4474 HCRA HB 318

REVISED PROGRAM
REQUEST FOR NEW POSITION

CATEGORY	
COVER PROGRAM	
AGENCY	Community & Regional Affairs
DIVISION	Housing Assistance
BUDGET REQUEST UNIT	Housing Assistance
BUDGET COMPONENT	Housing Loan
APPROPRIATION	
ALLOCATION	

POSITION TITLE Loan Closer II		JUSTIFICATION: This position would process loans and grants under the Alaska energy-efficient home equity fund.
LOCATION Anchorage		
TYPE (FULL OR PART-TIME) <u>Full Time</u>		
NUMBER REQUESTED <u>1</u>		
RANGE 12A	BARGAINING UNIT GGU	
MONTHLY SALARY 2,826.28	# MONTHS (CY) 12	
DETAIL OF RELATED EXPENSES		
01 PERSONAL SERVICES	33.9	
02 TRAVEL	2.0	
03 CONTRACTUAL	2.4	
04 COMMODITIES	7	
05 EQUIPMENT		
08 OTHER		
TOTAL	39.0	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	39.0	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

REVISED PROGRAM
REQUEST FOR NEW POSITION

CATEGORY	
COVER PROGRAM	
AGENCY	Community & Regional Affairs
DIVISION	Housing Assistance
BUDGET REQUEST UNIT	Housing Assistance
BUDGET COMPONENT	Housing Loan
APPROPRIATION	
ALLOCATION	

POSITION TITLE Accounting Clerk III		JUSTIFICATION: The position will provide the necessary accounting support for the Alaska energy-efficient home equity fund.
LOCATION Anchorage		
TYPE (FULL OR PART-TIME) <u>Full Time</u>		
NUMBER REQUESTED <u>1</u>		
RANGE 8A	BARGAINING UNIT GGU	
MONTHLY SALARY 1,631	# MONTHS (CY) 12	
DETAIL OF RELATED EXPENSES		
01 PERSONAL SERVICES	27.6	
02 TRAVEL	-0-	
03 CONTRACTUAL	2.4	Telephone, copy services, postage
04 COMMODITIES	.7	Miscellaneous administrative
05 EQUIPMENT		
08 OTHER		
TOTAL	30.7	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	30.7	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

Ketchikan Daily News

JAN 20 1987

Ketchikan, Alaska, Thursday, January 14, 1988

40 Cents

Building standards don't fit the weather New law hampers SE homes

By JUNE ALLEN
Daily News Staff Writer

Sections of a new Alaska law which mandate energy-saving guidelines for new home construction apparently were written with much colder, drier climates in mind and would work economic hardships on anyone planning to build a home in Southeast.

The law's regulations apply to any new residential buildings for which state financial assistance is to be received after Dec. 31, 1987.

Ketchikan realtors, contractors and financial institutions opposing some of the law's provisions say the new energy conservation standards represent over-improvement for this region and drastically change general construction standards of the Ketchikan area.

The new standards could also increase construction costs 10 to 20

percent.
The law, which went into effect Jan. 1, includes regulation of the amount and types of insulation in new home construction and limits window ratios. For example, the regulations require added insulation factors and vapor barriers in wall construction which would be appropriate to sub-Arctic conditions. But in Ketchikan the requirements would create internal air pollution and condensation problems. To solve those problems, air-exchange systems would have to be incorporated into the construction to solve, opponents say.

The regulations also would limit the types and numbers of windows to go into new homes, allowing windows not to exceed 15 percent of exterior wall space. Windows are highly valued attributes in Ketchikan, and homes on the waterfront

and on view lots typically have window areas exceeding 15 percent, realtors say.

Specifically, minimum construction standards require R-30 insulation in floors, R-21 in walls and R-38 in ceilings. The added floor insulation requires increased floor joist sizes to 2x12.

Wall construction to meet vapor barrier and insulation standards requires two 2x4 stud walls with internal vapor barrier. This increases the size of perimeter footing and complicates construction framing, according to opponents.

Ceiling insulation standards require an increase of roof pitch to accommodate insulation. Vaulted ceilings would be essentially eliminated except when using a scissor truss, as there would not be room for insulation, opponents say.

Opponents maintain energy

savings would never justify the cost of upgrading energy performance unless fuel prices increase dramatically. They maintain there apparently is no way added construction costs could ever be recaptured within the economic life of the residence.

A letter signed by Ketchikan appraisers, realtors, representatives of area banks and contractors has been sent to Ketchikan's legislators in Juneau, asking that Ketchikan and possibly all communities south of Juneau be exempted from some of the law as economically unjustified.

Opponents say the new standards were placed in effect without appropriate notice or hearings in the Ketchikan area.

The energy conservation regulations are within a law implemented by the State Department of Community and Regional Affairs.

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Second place went
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200 check to the
Library 2 p.m.



Budget cuts forest jobs

HB 218

Vapor retarders are also air barriers which reduce the infiltration of cold air into the home. They help reduce drafts and keep moisture out of the structural components where damage might result. They are essential for all new homes in Southeast as well as the Arctic regions of the world. They can be placed directly behind the sheetrock finish if desired.

R-38 ceilings require no adjustment to roof pitch. Regular or scissor truss roofs and vaulted ceilings can easily accommodate this insulation level without additional framing cost or modification to standard practice.

The cost savings to owners of these new homes could well pay for the improved insulation values in a matter of months rather than years at today's fuel costs. The added benefit of a draft free, comfortable and healthy indoor environment is a strong incentive for choosing a well built home.

Current lending practices do not consider the energy costs of operating a home. In most cases they are higher than the taxes and insurance payments combined. Energy costs in Alaska can be a major part of a family's disposable income and may contribute to the high foreclosure rates we are now experiencing.

Appraisers also do not give appropriate value to houses that are better insulated, properly constructed and less expensive to maintain. There is currently no effort to uniformly identify this value, inform the buyer or reward the builder through the appraisal process.

Builders who do not cut corners and do a better job than their competition are now losing money out of their own pockets because of this industry oversight. These regulations will protect the consumer from high utility bills and put all homebuilders on a level playing field in terms of what products they can build and on which they expect the people of this State to hold the mortgage.

There is no clear issue of right or wrong here. These are conditions of politics, science and economics. As such we need to remain flexible. If someone, for whatever reason, does not want to comply with these minimum standards that's O.K. They always have the option of finding another available source of mortgage financing.

The big questions in Alaskan housing issues are (1) How do we dispose of existing housing units already on the market? and (2) How do we put homebuilders back to work under these conditions of an overbuilt market?

There are two programs in Alaska that should help. One is called "energy mortgage valuation"(EMV). It has been developed for the Alaskan shelter industry and is now awaiting implementation by the lending institutions in the State.

EMV is a system whereby a home's energy efficiency is rated on a scale between 0 and 100 and the annual energy cost computed just like a MPG rating on a car. The appraiser completes a simple form which provides this information for all parties to use. This rating helps the consumer to decide if they can afford the home. The banker may then adjust the lending ratios

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

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JAN 20 1987

Ketchikan, Alaska, Thursday, January 14, 1988

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HB 218

Editor, Ketchikan Daily News,

Your headline news article dated January 14, 1988 concerning minimum insulation standards for new houses contains many inaccurate statements. In fact, I feel it would be in your readers' best interests to rerun the story with facts rather than the information supplied by your sources for this story.

ENERGY STANDARDS TAILORED TO CLIMATE AND ECONOMICS

NEW LAW HELPS SE CONSUMERS

Minimum energy conservation regulations were recently implemented by the State Department of Community and Regional Affairs (C&RA). The law applies only to new residential buildings for which State AHFC of HAD subsidies are to be received after Dec. 31, 1987.

The standards separate Alaska into five specific regions. Requirements in each area reflect the differences in the economics of construction and energy costs as well as the vast climactic variations within our State.

The insulation levels for our mild, wet maritime climate, for example, are already being met by many of the better builders within Southeast. In fact these standards are almost identical to those required for all new homes constructed in Juneau and the colder areas of Washington State. Implementation of these regulations will have very little financial impact on new construction projects. It will, however, put an end to some of the shoddy construction practices seen in our region.

Specifically, R-30 floor insulation, which can easily fit in the common 2x10 floor joist, is required. Some builders currently don't put any insulation there. This results in cold, wet uncomfortable floors that promote mildew and fungus growth in addition to high fuel bills. Closeable foundation vents and protection of water pipes from freezing are also required below the floor.

Complete heat recovery ventilation (HRV) systems are not required. Exhaust fans, however, will be required in the kitchen and bathrooms to expel the moisture produced during cooking and showering directly to the outside. Studies have shown that the average family member produces over 1000 gallons of water inside the home each year. Leaky construction and operable windows do not satisfactorily remove this moisture. Condensation on cold windows is the resulting symptom of this problem commonly seen in coastal climates like Southeast.

R-21 wall construction can be achieved in a standard 2x6 frame wall with insulated sheathing substituted for plywood on the outside. There is no increase in cost or labor. Good quality sheathing can easily yield an R-value of 26. This would allow greater areas of glass to be used. Speaking of glass, studies in Juneau have shown the average glazed wall area to be 12%, well below the 15% maximum contained in the prescriptive section of the standard. Of course glass areas can always be increased if other parts of the structure are well insulated or high R-value windows are selected.

Vapor retarders are also air barriers which reduce the infiltration of cold air into the home. They help reduce drafts and keep moisture out of the structural components where damage might result. They are essential for all new homes in Southeast as well as the Arctic regions of the world. They can be placed directly behind the sheetrock finish if desired.

R-38 ceilings require no adjustment to roof pitch. Regular or scissor truss roofs and vaulted ceilings can easily accommodate this insulation level without additional framing cost or modification to standard practice.

The cost savings to owners of these new homes could well pay for the improved insulation values in a matter of months rather than years at today's fuel costs. The added benefit of a draft free, comfortable and healthy indoor environment is a strong incentive for choosing a well built home.

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Appraisers also do not give appropriate value to houses that are better insulated, properly constructed and less expensive to maintain. There is currently no effort to uniformly identify this value, inform the buyer or reward the builder through the appraisal process.

Builders who do not cut corners and do a better job than their competition are now losing money out of their own pockets because of this industry oversight. These regulations will protect the consumer from high utility bills and put all homebuilders on a level playing field in terms of what products they can build and on which they expect the people of this State to hold the mortgage.

There is no clear issue of right or wrong here. These are conditions of politics, science and economics. As such we need to remain flexible. If someone, for whatever reason, does not want to comply with these minimum standards that's O.K. They always have the option of finding another available source of mortgage financing.

The big questions in Alaskan housing issues are (1) How do we dispose of existing housing units already on the market? and (2) How do we put homebuilders back to work under these conditions of an overbuilt market?

There are two programs in Alaska that should help. One is called "energy mortgage valuation"(EMV). It has been developed for the Alaskan shelter industry and is now awaiting implementation by the lending institutions in the State.

EMV is a system whereby a home's energy efficiency is rated on a scale between 0 and 100 and the annual energy cost computed just like a MPG rating on a car. The appraiser completes a simple form which provides this information for all parties to use. This rating helps the consumer to decide if they can afford the home. The banker may then adjust the lending ratios

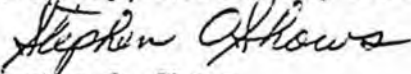
based upon known fixed energy costs and the borrower's ability to repay. The builder then recoups the appropriate added investment for building an efficient home when the loan closes.

Another promising effort underway in the state is the Alaska Craftsman Home Program (ACHP). This educational program is supported by the University of Alaska Co-operative Extension Service, State Homebuilders Association, C&RA and EMV. Twelve Alaskan training teams currently teach builders state of the art techniques developed from research being conducted around the world today such as the Canadian R-2000 program.

In an effort to sell foreclosed properties, banks are spending large sums of money on cosmetic items like repainting and recarpeting. Why not put people to work in our communities insulating these homes properly? An EMV rating would tell the bank exactly what should be done to the house. ACHP builders would know exactly how to best accomplish the retrofit economically. These properties would be far more affordable for future buyers. These programs would provide both desperately needed jobs and improved housing stocks in our communities at the same time. It would also tend to keep some of those dollars we export for fuel oil right here in our own home towns.

This type of approach is contained in Senate Bill 303. This effort directs our sights not just on what is the least justifiable house for Alaskans to build but rather on the optimum type of home for Alaskans to occupy far into the future. Technology, science and the world around us will constantly change. As a people we must look forward to the future and the benefits it will bring if we help ourselves to it. It does not bode well for us to dig in our heels and hold on to the old ways when the future is cloaked in such promise.

Sincerely, January 18, 1988



Stephen O. Shows
19137 Randall Rd.
Juneau, Alaska 99801
(907) 789-2325 home (907) 586-5231 work

Mr. Shows was employed as the construction representative for the USDA FmHA in Southeast Alaska in the late 1970's. He accepted a position with the City and Borough of Juneau (CBJ) building division in 1980. He is currently Chief Building Inspector with the CBJ. This year he serves as the President of the Alaska Southeast Chapter of the International Conference of Building Officials (ICBO).

Energy and housing issues have always held an interest for Mr. Shows. He has written numerous articles on the subjects, is a founder and trainer for the ACHP, sat on the initial steering committee for EMV, and participated in the development of the CBJ and the C&RA minimum thermal standards for housing in Alaska.

cc Steve Cowper, Governor State of Alaska
David Hoffman, Commissioner C&RA
Southeast Alaska Legislators

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

JAN 25 1988

f. / CRA

STEVE COWPER, GOVERNOR

① HB 318 (113319)

949 E. 36th Avenue
Suite 403
Anchorage, AK 99508
(907) 563-1955

January 22, 1988

The Honorable Heinrick Springer
Chair, DCRA, House of Representatives
P. O. Box V
Juneau, AK 99811

Dear Rep. Springer:

An emergency 120-day moratorium has been granted delaying the effective date of the Energy Conservation Standard for New Residential Building's Regulation (19 AAC 69.210). The Department of Community and Regional Affairs intends to extend the moratorium to October 1, 1988. The moratorium is being sought to give the building industry more time to prepare for the implementation of the standard.

Persons interested in commenting on the proposed moratorium are invited to send written statements to:

Steve Baden
Office of Energy Programs
Rural Development Division
Department of Community and Regional Affairs
949 E. 36th Avenue, Suite 403
Anchorage, AK 99508

Comments will be accepted through February 14, 1988.

I have enclosed a copy of the Notice of Emergency Regulations. Copies of the standard can be reviewed at any of the Department's offices, at public libraries, and at local building departments. Copies of the standard can also be purchased for \$4.00 at the above address.

Sincerely,

Michael C. Harper /ms
Michael C. Harper
Director

Enclosure

NOTICE OF ADOPTION OF EMERGENCY AMENDMENT

As required by AS 44.62.250, notice is given that under authority vested by AS 46.11.040, the Department of Community and Regional Affairs amended on this date, as an emergency regulation, 19AAC 69, Article 2 relating to the Energy Conservation Standard For New Residential Buildings.

This amendment took effect January 14, 1988.

This amendment places a temporary 120 day moratorium on the implementation of the standard. This action is not expected to require an increased appropriation.

Copies of this regulation may be obtained by writing to Steve Baden, Chief, Conservation Section, Department of Community and Regional Affairs, 949 E. 36th Avenue, Suite 403, Anchorage, AK 99508.

Notice is also given that the Department of Community and Regional Affairs intends to make this regulation permanent under AS 44.62.260 delaying implementation of the standard to October 1, 1988. Any interested persons may submit written statements relevant to the action proposed. Written statements and arguments should be sent to the address given in the previous paragraph and must be received no later than February 24, 1988.

1-20-88

DATE

Juneau, Alaska

CITY

Signed

David G. Hoffman

Commissioner

HB 318
HB 319

(B) HB 318

of
CRA

PUBLIC OPINION MESSAGE

JAN 18 1988

DEAR: REPRESENTATIVE SPRINGER

NAME: PAUL MCINTOSH

TITLE:

ADDRESS: 2409 5TH AVENUE

CITY: KETCHIKAN, AK.

ZIP: 99901

PHONE: N/R-

BILL NO:

SUBJECT: MIN STANDARDS - NEW RESIDENTIAL CONSTRUCTION

MESSAGE: KETCHIKAN DAILY NEWS CARRIED A STORY ABOUT OPPONENTS OF NEW STANDARDS.

THE OPPONENTS DIDN'T PARTICIPATE IN THE DEVELOPMENT OF REGULATIONS. I URGE

YOU TO NOT GRANT EXEMPTIONS WHICH THEY HAVE REQUESTED. I ALSO RECOMMEND THAT

C&RA MAKE A CONCERTED EFFORT TO EDUCATE REALTORS, APPRAISERS, ARCHITECTS,

BUILDERS, BANKERS IN THIS PROGRAM.

POMID: 08112843

DATE: 01/15/88

TIME: 11:28:43

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COPIES: REPRESENTATIVES SENATORS

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JONES

HALFORD

KELLY

STURGULEWSKI

SZYMANSKI

ZHAROFF

DCR *Sp / CRA*

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

(9-a) HB 318

RECEIVED SEP 2 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

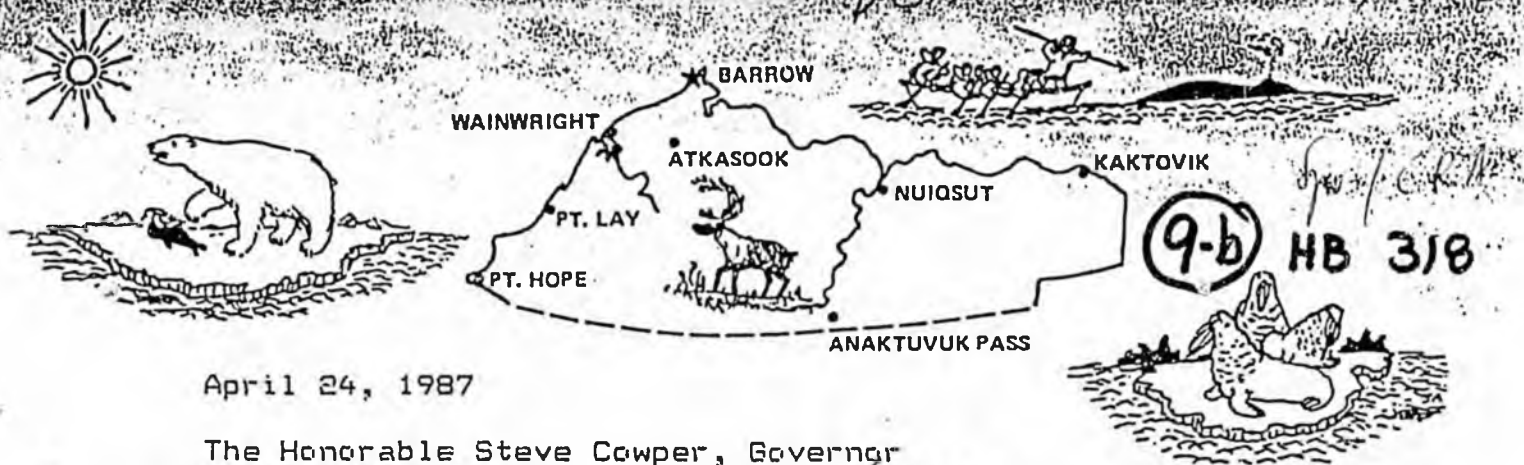
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundley
Borough Clerk

by Catherine J. R. Kacew, Dep. Clerk



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

FEB 22 1988

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards
[Signature]
Energy Planner
N.S.B Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2611

put for CRA

9-C HB 318

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

FEB 29 1988

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. . .

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 19 87.

put A ✓

CRH
FEB 29 1988

9-d HB 318

RECEIVED 12 1 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

WHEREAS, ~~the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.~~

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.

John B. Williams

JOHN B. WILLIAMS, MAYOR

ATTEST:

Janet Whelan

Janet Whelan, City Clerk

FEB 26 1988

PAH
Sp. / CRA
9-e HB 318

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

9-f HB 318
FEB 25 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

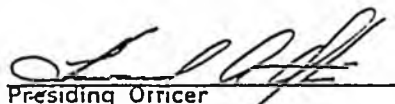
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption. improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

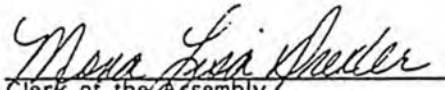
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

9-9

HB 318

f/cra

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

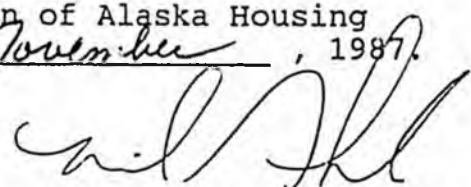
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the Sate of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

for CRA

9-h HB 318

HB 318
E 319



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

FEB 16 1988

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON

[Signature]
Lanston Chinn
City Administrator

1011

cc: Philip G. Loudon ✓

FEB 12 1988

(9-i) HB 318 V/CRA

AMERICAN  LUNG ASSOCIATION of ALASKA

Dedicated to the prevention and control of lung disease

RECEIVED OCT 26 1987

October 22, 1987

Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

HB 318

1000
9-j HB 318
RECEIVED 207 2 3 1988
CRA

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

FEB - 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

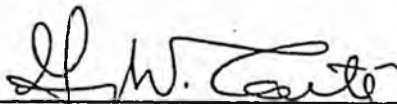
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

HB 318

10/6/87

for CRA

9-K HB 318

FEB - 8 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

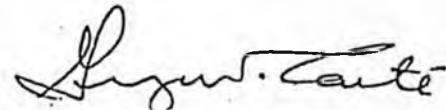
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;

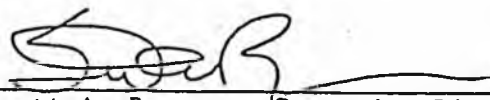
NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte', President

ATTEST:



Scott A. Burgess, Executive Director

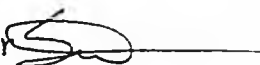
Alaska
MUNICIPAL
League

(10) HB 318

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Representative Henry Springer, Chair
Members of the House Community and Regional Affairs
Committee

FROM: Scott A. Burgess, Executive Director 

DATE: March 8, 1988

SUBJECT: HB 318/HB 319 - Alaska Craftsman Home Program

The Alaska Municipal League supports the concepts of HB 318 and HB 319.

The Alaska Municipal League has had policies encouraging energy efficiency in private and public construction for a number of years. At the annual meeting in November 1987, the membership adopted Resolution No. 88-36 in support of the energy-efficient standards developed by the Alaska Craftsman Home Program for home construction and in support of state support for the Alaska Craftsman Home Program. HB 318 and HB 319 implement this Resolution.

Again, the AML supports HB 318 and HB 319.

Attachment: AML Resolution No. 88-36

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

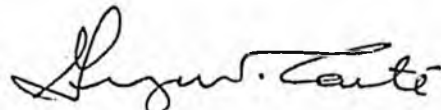
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:



Scott A. Burgess, Executive Director

T A B L E O F C O N T E N T S

Description	Tab
Committee Substitute for HB 318	A
Committee Substitute for HB 319	B
Explanation of Changes	C
Original Versions of HB 318 and HB 319	D
Commissioner Hoffman letter to Representative Brown	E
Alaska Craftsman Home Building Program Summary	F
Resolutions in Support of HB 318 and HB 319	G

WORK DRAFT

WORK DRAFT

WORK DRAFT

5-1190B
Bradley
3/4/88

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 318 ()
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act relating to grants for energy efficient
7 homes."

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

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to meet Alaska
20 Craftsman Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to meet the Alaska Craftsman
23 Home Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to meet
26 the improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 that meet the energy efficient standards of the Alaska Craftsman Home
5 Program and to assist in the education, planning, and development of this
6 standard of building in cooperation with the building industry.

7 * Sec. 2. AS 18.55.998(a) is amended to read:

8 (a) There is created in the Department of Community and Regional
9 Affairs a supplemental housing development grant fund. Subject to the
10 availability of appropriations for the purpose, the department shall
11 make grants to regional housing authorities established under AS 18.-
12 55.996 for the cost of on-site sewer and water facilities, road con-
13 struction to project sites, energy efficient design features in homes,
14 and extension of electrical distribution facilities to individual
15 residences.

16 * Sec. 3. AS 44.47 is amended by adding a new section to read:

17 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME GRANT FUND. (a)
18 There is established in the department the Alaska energy efficient
19 home grant fund consisting of money appropriated to it by the legisla-
20 ture. The commissioner shall administer the Alaska energy efficient
21 home grant fund under the provisions of this section.

22 (b) The commissioner may grant funds from the Alaska energy
23 efficient home grant fund to agencies of the state or federal govern-
24 ment, individuals, or businesses that retrofit existing single family
25 dwellings or build new single family dwellings that meet criteria
26 adopted by the commissioner.

27 (c) The commissioner shall adopt guidelines and procedures for
28 the fund after consultation with the board of directors of the Alaska
29 Craftsman Home Program.

WORK DRAFT

WORK DRAFT

WORK DRAFT

Original sponsors: Ellis, Koponen,
Menard, et al.

5-1191L
Utermohle
3/4/88

Funding Information
General Fund \$1,621,000
Other Funds -0-
\$1,721,000

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 319 ()
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations for the Alaska
7 energy efficient home program; and providing for an
8 effective date."

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

10 * Section 1. The sum of \$261,000 is appropriated from the general fund
11 to the University of Alaska, cooperative extension service, for preparation
12 and implementation of the Alaska energy efficient home program and for
13 instrumentation and data base development for the program.

14 * Sec. 2. The sum of \$35,000 is appropriated from the general fund to
15 the University of Alaska, cooperative extension service, for research
16 activities of the Alaska energy efficient home program that have been
17 approved by the board of directors of the Alaska Craftsman Home Program.

18 * Sec. 3. The sum of \$330,000 is appropriated from the general fund to
19 the Department of Community and Regional Affairs to develop and distribute
20 educational information for the general public regarding the Alaska energy
21 efficient home program.

22 * Sec. 4. The sum of \$760,000 is appropriated from the general fund to
23 the Alaska energy efficient home grant fund in the Department of Community
24 and Regional Affairs for grants to pay the incremental cost of constructing
25 190 rural housing and urban development project homes to the standards of
26 the Alaska Craftsman Home Program.

27 * Sec. 5. The sum of \$85,000 is appropriated from the general fund to
28 the University of Alaska, cooperative extension service, for travel and
29 on-site supervision of the construction of the first home built in each of

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the housing projects funded under sec. 4 of this Act.

* Sec. 6. The sum of \$250,000 is appropriated from the general fund to the Alaska energy efficient home grant fund in the Department of Community and Regional Affairs for grants to construct one model home in each of the 15 regions established by the Department of Community and Regional Affairs for the development of residential energy conservation standards for new buildings.

* Sec. 7. The appropriations made by this Act lapse into the general fund June 30, 1990.

* Sec. 8. This Act takes effect on the effective date of an Act passed by the Fifteenth Alaska State Legislature that establishes the Alaska energy efficient home grant fund.

COMMITTEE SUBSTITUTE FOR HB 318

EXPLANATION OF CHANGES

CSHB 318:

New Title. Title has been changed to allow for a new provision in the bill which amends AS 18.55.998(a), relating to an existing grant program. The title now reads:

"An Act relating to grants for energy efficient homes."

Section 1. No changes in the findings section.

Section 2. the original Section 2. has been replaced with a new section amending AS 18.55.998(a) relating to the supplemental housing development grant fund. This fund is used to pay supplemental costs of building HUD homes in Alaska. Use of this fund is currently limited to supplementing the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. This section of the bill adds "energy efficient design features in homes" to the list of existing uses. (Current statute attached.)

This amendment was suggested by the Department of Community and Regional Affairs. (See Hoffman letter to Brown, Tab 5)

Section 3. This is the original section 2. with one change. Subsection (b) has been changed to include "agencies of the state or federal government."

The purpose of this change is to allow money appropriated to the energy efficient grant fund to be applied toward state or federal housing projects.

COMMITTEE SUBSTITUTE HB 319

EXPLANATION OF CHANGES

CSHB 319:

Section 1. The committee substitute reduces the amount appropriated to the University of Alaska cooperative extension service from \$1,615,000 to \$271,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Preparation of Educational material for
shelter industry: \$21,000

Brochure for Realtors & Appraisers \$8,000
Brochure for Bankers 4,000
18 workshop 9,000

Development of Energy Budget Computer
Program: \$60,000

Support Training Teams: \$70,000

Annual conference with full slate
training \$20,000
Travel and Per Diem expenses 30,000
Workshop fees 40,000

Program Evaluation and Monitoring: \$110,000

\$261,000

Section 2. The committee substitute reduces the amount appropriated to the University of Alaska, Cooperative Extension Service from \$450,000 to \$35,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Trade, High School, and college
curriculum development and im-
plementation: \$20,000

Incremental funding for demonstration
homes: \$15,000

\$ 35,000

Section 3. The committee substitute reduces the amount appropriated to the Department of Community and Regional Affairs from \$450,000 to \$330,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

TV and Radio Air Time, Newspaper Inserts	\$270,000
Direct Mailing (2 mailing x 30,000) to shelter industry & public	60,000 ----- \$330,000

Sections 4. 5. and 6. The committee substitute reduces the amount appropriated to the Department of Community and Regional Affairs in Section 4. of the original bill from \$4,500,000 to \$1,095,000.

Section 4. Incremental cost for design and construction of 190 HUD homes to the program standards	\$760,000
Section 5. Cost of on-site supervision of the first home in each area	85,000
Section 6. Cost of construction of 50 model demonstration homes statewide	250,000 -----
	\$1,095,000

TOTAL PROGRAM COST: \$1,721,000

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 11, 1988

The Honorable Kay Brown
Alaska State House of Representatives
P. O. Box V
Juneau, AK 99811

FEB 2 1988

Dear ^{KAY} Rep. Brown:

This is in response to your inquiry as to what options are available to address the energy concerns on this year's HUD housing standards that will not be covered by the new residential energy standard because of the nine-month moratorium.

According to Marlin Knight, Alaska's HUD representative, 277 single-family residences will be constructed in rural Alaska with HUD financing. Of that number, 190 will receive some form of State financial assistance. According to Mr. Knight, HUD will not know until May in which communities the projects will be located, but it will be in all of the rural regions. As a guide, the following are the locations of HUD projects this past year:

<u>Housing Authority</u>	<u>Location</u>	<u>No. Units</u>
Tlingit-Haida	Hydaburg	25
Northwest Inupiat	Kotzebue	25
Bering Straits	Unalakleet	15
	White Mountain	15
AVCP	Nunapitchak	15
	Aniak	24
	Tununak	11
	Pitkas Point	9
Bristol Bay	Ekwok	20
Aleutian	Unalaska	15
Metlakatla	Metlakatla	15
	Total	189

Regarding options to address the energy-efficiency of the 190 HUD homes that will be constructed with State financial assistance, the following are options that can be considered:

1. Education - This option would represent the status quo, except that education on energy-efficient conservation is being provided to the housing authorities through the Alaska Craftsman Training Program. While the housing authorities have been receptive to the information provided, their actions are limited by HUD's restriction of \$92,000 per home.

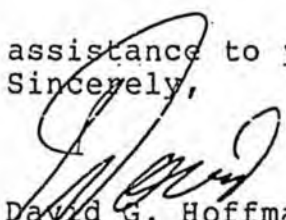
February 11, 1988

2. Amend AS 18.55.997 - The Supplemental Housing Development Grant Program matches HUD funding with State funds. Currently, the law allows the program to fund only the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. The law could be amended to include energy-efficiency in the allowable activities without necessarily needing an increase of State funding. If additional State funds are not earmarked for energy efficiency, however, this category must compete with the present categories which have been using up the funds.
3. Support the Incremental Costs of Building to the State Standard - According to our calculations, depending on the region in which the homes will be built, it will cost from \$1,279 to \$3,307 to build to the State standard over HUD's minimal standard. This would annually save \$209 to \$470, respectively, in energy costs to the low-income consumers. In FY89, this would have cost the State \$400,000 initially, and save an estimated \$94,000 annually in fuel costs (a 4.2-year payback).
4. Pay the Incremental Cost of Making the Homes Superinsulated - For an additional \$4,000, the homes could be built to reduce this energy consumption by at least 50%. This would cost the State an additional \$760,000 in 1988, but would have saved, conservatively, an estimated \$134,000 in fuel costs in the first year. (A 5.6-year paybook)

I agree with your concern regarding the energy-efficiency of new low-income rural housing. That is why we have made it a priority to work with the housing authorities on providing them technical assistance, and have adopted the residential energy standard.

I hope that the information is of assistance to you.

Sincerely,



David G. Hoffman
Commissioner

cc: Steve Baden
Program Coordinator
Conservation Programs
Department of Community and
Regional Affairs

FROM DON MARKLE, Program
Director

The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate ~~some~~ \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation..

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of those include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -
The Kodiak Island Borough -	The Municipality of Anchorage -
Fairbanks North Star Borough -	City of Koolik
City of Wasilla -	City of Kenai -
City of Anderson -	City of Soldotna -
Housing Authorities -	Association of
North Slope Borough Utilities -	The Joint Energy Task Force of Utilities -
Alaska Center for the Environment -	The American Lung Association -
Alaska State Homebuilders Association -	Interior Economic Development Council -
Mat-Su Homebuilders Association -	Interior Homebuilders Association -
The Anchorage Daily News -	Building Industry Association of Anchorage -
	The Frontiersman



Alaska Craftsman Home program

Research, demonstration and development around the world has changed the way homes are being built in Northern climates. So many technical changes have taken place that an educational network is needed to keep the building industry in Alaska informed of the advancements. With such a network the Alaska building industry can stay abreast of advancements in other parts of the world as well as other parts of the state. The Alaska Craftsman Home Program is that educational network.

The Alaska Craftsman Home Program provides a voluntary education service which today can inform homebuilders of the methods to reduce the thermal requirements of a residence. The energy savings that can be achieved is only one benefit of an education network: allowing research and field application experience to be systematically exchanged within the Alaska housing industry. The program is designed to provide:

- . technical information for the industry
- . a forum for the industry to help determine objectives for the State Finance and University Research Community.

GOAL:

The immediate goal of the Alaska Craftsman Home Program is to:

- . build thermal efficiency into the shelter industry in Alaska through education.

The long range goal of the program is to:

- . assist the Alaska shelter industry in providing the best, most appropriate and affordable shelter available.

In order to achieve these goals and to make the Alaska Craftsman Home Program work there will be a coordinated and visible effort on the part of the Alaska State Government, the University of Alaska and building industry trade associations in Alaska. The program will be a voluntary program that will establish an educational network for the shelter industry in Alaska.


DESCRIPTION:

PHASE 1

The Cooperative Extension Service and State Division of Community Development jointly initiated the program in 1986. A pilot series of building seminars were held March of 1986 in Juneau, Anchorage, and Fairbanks. One hundred three shelter industry people were introduced to the "superinsulation" building techniques through the Super Energy Efficient Home Workshop Series taught by internationally acclaimed experts. The reviews from the industry were very favorable. The program achieved its first goal, that being to secure the backing of the shelter industry in Alaska for a high quality builder education program on energy efficient building techniques.

PHASE 2

The second phase of the Alaska Craftsman Home Program began with the development of the first edition of the Alaska Craftsman Home Building Manual. The manual was developed by the Cooperative Extension Service with funding provided by the



U.S. Department of Energy, State Department of Community and Regional Affairs
Office of Energy Programs and Chugach Electric Association.

November of 1986 a select group of Alaskans associated with the shelter industry met with the Cooperative Extension Service and the manual contractor to complete the content of the Alaska Craftsman Home Building Manual. The first edition of the manual was completed March of 1987. This manual is the written guide for the Alaskan homebuilder concerning the energy efficient building technology.

The Cooperative Extension Service began to solicit and find 24 people from around the State to take part in the educational effort November of 1986. These people have since become the backbone of the Alaska Craftsman Building Program and are the industry educators for Alaska. These 24 people represent all regions of the State and are divided into 12 training teams. They came to the program with a vast amount of expertise on building homes in Alaska.

The 12 training teams have been given the knowledge, audiovisuals, materials, manuals, inspiration and a mandate to teach two day workshops on the Alaska Craftsman Building Program superinsulation building technology in their respective regions.

PHASE 3

Phase three activities will continue the educational effort through field workshops introducing the Alaska Craftsman techniques to the builders and interested people throughout Alaska. These workshops will be taught independently by the 12 Alaska training teams.

At the end of one year the training teams will come together again to critique the program. Materials, experiences and techniques will be reviewed. If necessary, the materials and program will be modified to the needs of the training teams and the clientele they serve. Techniques and experiences on retrofitting to Alaska Craftsman standards will be added to the program at this meeting and there is a possibility of rewriting the manual if warranted.

Marketing:

A marketing campaign will be developed and initiated during the phase three activities. The marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman home will depend on communicating the benefits inherent to them. The marketing campaign will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . improved re-sale value

PHASE 4

The future of the program is now being developed. The goal is to establish an educational network that feeds new technology and research information to the builders in the Alaska and practical application experience and field needs to the research and product development community.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

October 19, 1987

The Honorable Alfonse D'Amato
Ranking Minority Member
Subcommittee on Housing and
Community Development
United States Senate
520 Hart Building
Washington, DC 20510

Dear Senator D'Amato:

RE: SECTION 128 OF S.825, THE 1987 HOUSING ACT

We are strongly in support of the inclusion of \$4.7 million for a demonstration project of energy efficient housing in the above referenced Act recently passed by the U.S. House of Representatives.

As you may be aware, Alaska has had more than 500 public housing units for which low-income residents/purchasers have refused to make payments because of gross deficiencies in the design and construction. This has resulted in millions of dollars spent by the federal government to settle lawsuits and also to attempt to correct these deficiencies. This has been a real problem in Alaska due to high energy costs and low-income housing built at inadequate standards.

The state is currently working with Housing and Urban Development (HUD) to provide training to Alaska housing authorities and their staff on the latest building techniques, designs, and products for the extreme Alaska climates. This program, called the Alaska Craftsman Home Program, is strongly supported by the Alaska Homebuilders Association, and the National Center for Appropriate



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

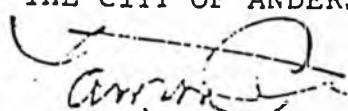
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

LC/eh

cc: Philip G. Loudon ✓

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

RECEIVED: OCT 23 1987

FEB 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

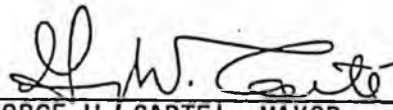
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

October 19, 1987

The Honorable Alfonse D'Amato
Ranking Minority Member
Subcommittee on Housing and
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United States Senate
520 Hart Building
Washington, DC 20510

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The state is currently working with Housing and Urban Development (HUD) to provide training to Alaska housing authorities and their staff on the latest building techniques, designs, and products for the extreme Alaska climates. This program, called the Alaska Craftsman Home Program, is strongly supported by the Alaska Homebuilders Association, and the National Center for Appropriate

October 19, 1987

Technology (NCAT), which has been providing assistance to the State of Alaska and Alaska homeowners for over seven years. The research and demonstration program in Section 128 of S.825 would allow the housing authorities to see firsthand the benefits of the energy efficient designs promoted by these groups, if Alaska is one of the four states selected.

The first low-income, two-bedroom home that NCAT designed was built in Nome, Alaska, by a private homeowner in 1981-82. The annual heating cost for this house is just over \$200, compared to the \$1,200 to \$1,500 annual cost for the same size HUD houses just a few blocks away.

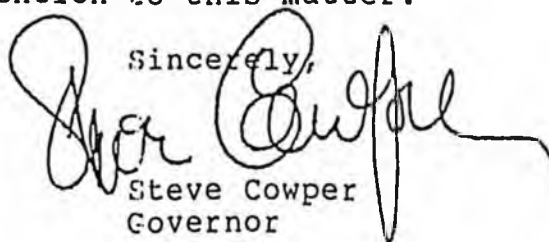
The many benefits of the improved construction standards include:

- vastly improved comfort for the occupants;
- decreased health problems (particularly for the elderly and children);
- decreased maintenance costs;
- longer building life;
- reduced outdoor air pollution;
- a greatly increased safe period before waterline freezing during the frequent power outages in Alaska; and
- affordable housing for low-income people.

For the social, economic, educational, and environmental goals within Alaska, the improved building standards should be a giant step forward.

Thank you for your attention to this matter.

Sincerely,



Steve Cowper
Governor

cc: Kathleen Hadley, NCAT

James Malapanes, President
Alaska Homebuilders Association



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

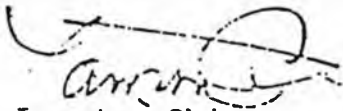
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

LC/eh

cc: Philip G. Loudon ✓



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

Dear Governor,

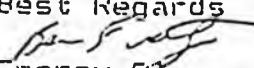
Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards


Energy Planner
N.S.B. Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2511

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

RECEIVED: 2072 3 1987

FEB 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

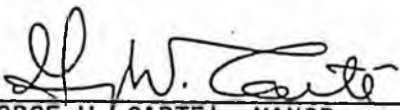
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

FEB 8 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

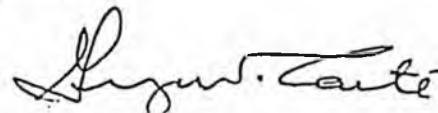
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte', President

ATTEST:



Scott A. Burgess, Executive Director

AMERICAN  LUNG ASSOCIATION of ALASKA

Dedicated to the prevention and control of lung disease

FEB 14 1988

RECEIVED OCT 26 1987

October 22, 1987

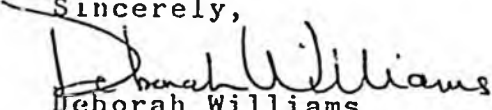
Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

file

FEB 22 1988

RECEIVED SEP 2 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundley
Borough Clerk
by Catherine J. R. Lacey, Dep. Clerk

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

file

FEB 2 1988

RECEIVED SEP 2 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

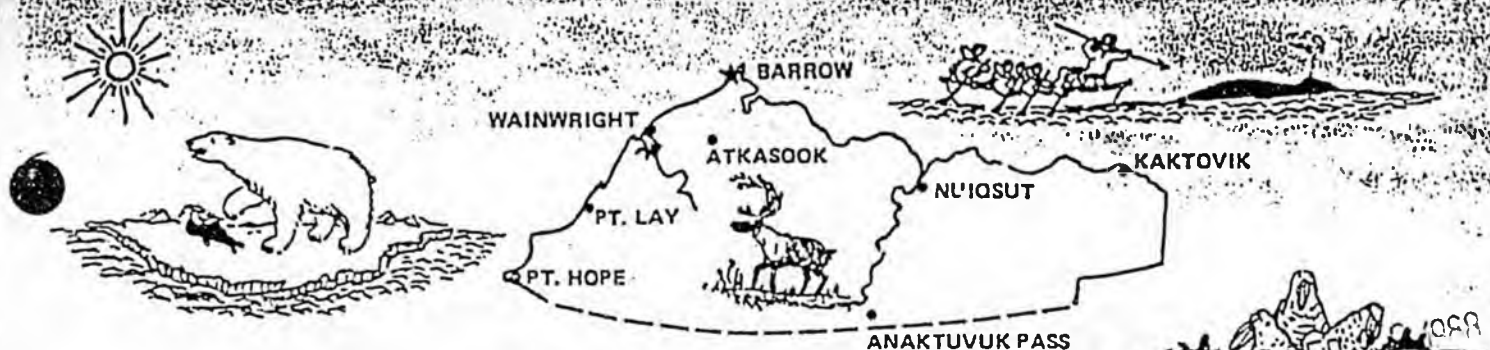
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundage
Borough Clerk

by Catherine J. R. Lewis, Dep. Clerk



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

File

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards
[Signature]
Energy Planner
N.S.B Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2611

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

FEB 25 1988

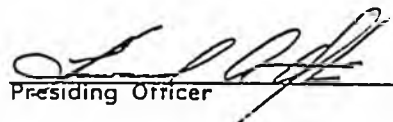
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

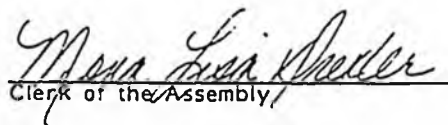
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

file

17 1987

FEB 11 1988

CITY OF KODIAK
RESOLUTION NUMBER 51-87

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING
THE ALASKA CRAFTSMAN HOME PROGRAM

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce dwellings' contribution to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the Alaska State Legislature has introduced legislation in the form of Senate Bill 308 and House Bills 318 and 319 that support the Alaska Craftsman Home Program with the expectation that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the City of Kodiak; and

WHEREAS, the citizens of Kodiak will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, the City of Kodiak encourages the ouilding of homes to the energy efficient standards of the Alaska Craftsman Home Program and further that the City of Kodiak supports Alaska State Senate Bill 308 and House Bills 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 14TH day of DECEMBER, 1987.

CITY OF KODIAK

Robert Brodie
MAYOR

ATTEST:

Marcelle Dalke
CITY CLERK

MAR 04 1988

Introduced by: Mayor Jones
 Introduced: 06/02/87
 Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR
 REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That ~~it is~~ the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987

Dorothy A. Jones
 Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves
 Chris Seagraves, Borough Clerk
 (SEAL)

BERING STRAITS REGIONAL HOUSING AUTHORITY

Regular Meeting
of the
Board of Commissioners
April 14, 1987

Resolution 87-07

WHEREAS, high heating bill remain the greatest drain on income for Rural Alaska Residents, and

WHEREAS, programs such as the Low Income Household Energy Assistance Program (LIHEAP) and Power Cost Equalization (PCE) help Rural Alaska residents pay energy bills, and

WHEREAS, even with these programs, many low income Rural Alaska residents must use large amounts of their limited cash to buy heating oil, and

WHEREAS, new high efficiency heating equipment could reduce oil consumption in thousands of rural homes by 30 - 50% , and

WHEREAS, these high efficiency units cost \$500 to \$1,000 and most Rural Alaska residents do not have sufficient capital to purchase these units,

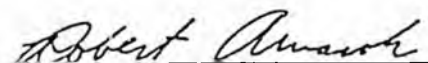
NOW THEREFORE, be it resolved that the Board of Commissioners of the Bering Straits Regional Housing Authority support the idea of the State of Alaska establishing a Low Interest Revolving Loan Fund that would enable people to reduce their heating oil consumption and save money;

Passed and approved by the Board of Commissioners of the Bering Straits Regional Housing Authority this 14 day of April, 1987.



Chairman (Harold Bell)

SEAL

Attest: 

Secretary (Robert Amarok)

FEB 29 1988

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN
HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. ..

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

FEB 26 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

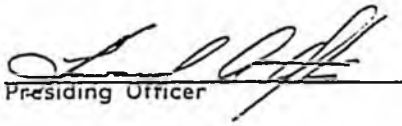
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

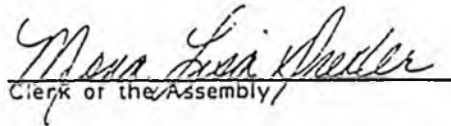
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER SB-308 HB-318
ENERGY EFFICIENT BUILDING TECHNOLOGY

Our members support this bill and all efforts to achieve affordable well built housing in Alaska.

The standards of the Alaskan Craftsman Home Program represent the latest in scientific technology adapted to our unique climatic and economic conditions. Homes built to these standards will be healthier, less expensive to maintain and more durable than other housing units.

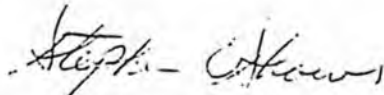
Creation of this fund will provide needed employment in the construction industry. This program could dramatically reduce the energy consumption of both new and existing dwellings in the State.

Local economies will benefit from the increase in disposable income which these energy savings will provide. Increased employment and improved general health of the population will contribute to long term economic stability.

These housing units are the legacy we will leave to future generations. Our innovations and courage will be appreciated now and for many years to come.

We request your continued support in this effort.

Sincerely,



Stephen O. Shows
President

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

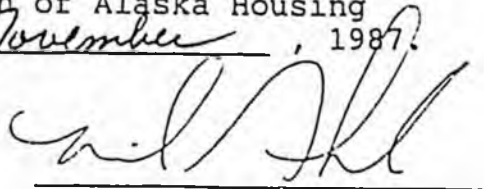
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

FEB 20 1988

RECEIVED FEB 18 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

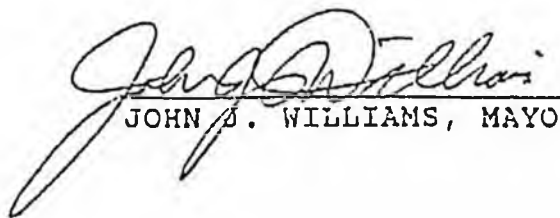
WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

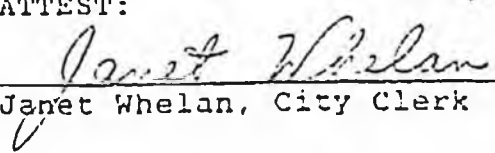
WHEREAS, ~~the Alaska Craftsman's Home Program will be benefitted~~ the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.



JOHN J. WILLIAMS, MAYOR

ATTEST:


Janet Whelan, City Clerk

Comments on CHHB 318 and CSHB 319

(12)
(CS) HB 318

My intent in introducing house bills 318 and 319 was to set up a program which would educate the public and the building industry about existing energy efficient technologies, provide incentives to builders to learn and incorporate the technology into their building standards, and to save the state some of the money it would otherwise have to put into weatherization and power cost equalization programs.

I will be addressing the committee substitutes you have before you in Tab A of your green packets.

CSHB 318, which creates the Energy Efficient Home Grant Fund, has been modified to facilitate use of state funds on HUD projects. This year, 272 HUD homes will be built in Alaska. 190 of these homes will be eligible for supplemental state funding to make up the difference between the \$92,000 HUD maximum per home and the cost of construction in rural Alaska. The remaining 82 will be eligible for municipal and borough assistance.

Currently, HUD projects are built to national standards and operate at very low energy efficiency in Alaska.

Because the regional housing authorities responsible for building the 190 HUD homes are limited by the \$92,000 restriction per home, the state has created a "supplemental housing development grant program" which matches state funds with HUD funding. By statute, this money is restricted to three uses: 1) on-site sewer and water facilities, 2) road construction to the HUD project sites, and

3) extension of electrical distribution facilities to individual residences.

The title change and the new Section 2. of CSHB 318 will expand the use of monies appropriated to this fund in the future to include the incremental cost of building to energy efficient standards.

Please see option 2 on page two of the letter Commissioner Hoffman sent to Representative Brown on February 11th. Commissioner Hoffman explains the existing program and suggests it be amended as I have done in CSHB 318. (This letter is Tab E of the green packet.)

This change will give the state the option of funding for energy efficiency on future HUD projects should appropriations be made for the purpose.

The committee substitute for HB 319 contains an appropriation for these HUD homes. If you will consult option 4 on page two of the Hoffman/Brown letter, you will see that a \$760,000 appropriation will cover the cost of building this year's 190 HUD homes to energy efficient standards. This will save, conservatively, an estimated \$134,000 in fuel costs in the first year. Hoffman projects a 5.6 year payback on this investment.

The reason CSHB 319 appropriates the \$760,000 for design and construction of these 190 HUD homes to the energy efficient home building grant program instead of the amended supplemental housing development grant program is that the housing authorities will need the assistance of the current craftsmen program administrators and trainers on this initial implementation of the program.

This is also the reason for the \$85,000 appropriation in Section 5. for on site supervision of the first home built on each project site.

In other words, for this year's projects, the appropriation should be made through the energy efficient home building grant program established in CSHB 318, while future HUD project needs may be met through appropriations to the Supplemental Housing Development Grant Program as amended by CSHB 318.

The other difference between CSHB 319 and the original version of the bill is that each appropriation in CSHB 319 has been changed to reduce funding to the amount necessary for one budget cycle. The original version was designed to fund the program for three years.

Miscellaneous aspects of each section were deleted based on the priorities of the Alaska Craftsmen board of directors. An explanation of the new numbers is included under Tab C in the green packet.

The amount appropriated to the incentive program itself has been reduced to (1) cover the cost of the 190 HUD homes I have already explained and, (2) to encourage the private construction of 50 model demonstration homes throughout the state.

At least one home will be built in each of the 15 regions established by the Department of Community and Regional Affairs for the development of residential energy conservation standards for new buildings. Funding for another 35 model homes will be distributed to areas where they will be of most benefit as models for consumers and builders.

for CRA

(13 a) (S) HB 318

3511 Tanglewood #A
Anchorage, AK 99517
March 14, 1988

MAR 17 1988

Representative Heinrich Springer
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Representative Springer:

I am writing you concerning the state's Energy Conservation Standard for New Residential Buildings.¹ This standard requires homes that are built with state financing or assistance to meet a minimum level of energy efficiency. The development of the standard was initiated by Alaska Statute 46.11.040, and the standard was to be implemented on January 1 of this year. However, the Department of Community and Regional affairs has issued a 9 month implementation moratorium due to pressure from the building industry. The building industry is continuing their opposition to this standard and hopes to delay implementation further, possibly through legislation this session. I urge you to oppose any such implementation delay.

If the housing marketplace were to work in an economically efficient manner, we would be living in very energy efficient homes. Economic analyses to determine optimal insulation levels in homes indicate that homes built in rural Alaska should have a foot of insulation in the walls and almost 2 feet in the attic. For Anchorage optimal construction would entail walls better insulated than 2 x 6 walls, and windows with at least 3 panes of glass. Unfortunately, without government intervention, the marketplace produces very few of these homes. Consumers and builders are poorly informed as to the savings and costs of energy efficient construction, and too much emphasis is placed on the initial cost of the home.

One way to address these market imperfections is to implement an energy conservation standard. They are common throughout the U.S. and the rest of the world, and the Alaska legislature was wise in deciding that such a standard would be appropriate for the coldest state in the union. A number of builders, however, have not seen the wisdom of the standard.

One of the builders' arguments against the standard is that the extra costs of meeting the standard are not recouped over the life of the house in energy savings. In the development of the standard, DCRA addressed this issue extensively. Builders were hired to estimate costs of energy-efficient construction, and economists calculated the value of the energy savings over

¹I am employed as an energy specialist for the Rural Alaska Community Action Program (RurAL CAP), and I own Analysis North, an energy consulting firm. Part of my work with Analysis North has involved energy policy research for the Governor's Energy Policy Task Force.

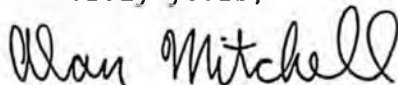
the life of the home. The standard was set so that the benefits significantly exceeded the extra costs of construction. To convince myself, I worked with a builder to estimate the extra costs of meeting the Anchorage standard (2x6 walls, triple pane windows, etc.) over and above conventional construction (2x4 walls, double-pane windows, etc.) We estimated a \$2,000 extra cost. We also estimated the present value of the savings over the life of the home to be \$4,000. Thus, the home that meets the energy conservation standard provides a \$2,000 net benefit relative to conventional construction in Anchorage. The net benefit per home due to the standard in other parts of the state would be higher because of higher energy costs and colder temperatures.

Another argument from the builders is that the extra initial costs will reduce the number of buyers that will qualify for a home. Due to the recent initiation of the Energy Mortgage Valuation (EMV) program, this situation need not occur. Through participation in this program a home is rated as to its energy efficiency. Lenders utilize the ratings to adjust the debt-to-income criteria for potential buyers. The result is that the level of thermal efficiency required by the standard allows buyers to qualify for an additional \$4,000 on their mortgage, substantially in excess of the extra cost required to build the more efficient home. Through the Energy Mortgage Valuation program, there will be more qualified buyers for an energy-efficient home than for a similarly-sized inefficient home.

Finally, the builders have claimed that building "tight" homes will worsen indoor air quality. That statement is true if no mechanical ventilation system is installed in the home to mitigate the problem. The energy conservation standard requires that mechanical ventilation be installed in homes except in Southcentral and Southeast Alaska. The requirement was dropped in these areas because of opposition to it from builders, the same group now worried about indoor air quality. Indoor air quality is an important concern. It will be a problem even if the standard is not implemented. The best solution is to change the standard to require mechanical ventilation systems in new homes for all areas of the state. Montana builders have installed low cost ventilation systems for \$200 - \$500 per home.

Alaska needs an energy conservation standard for new homes. Had we implemented such a standard before the last housing boom, the benefits would have been substantial. About 80,000 homes have been built since 1978. Assuming \$2,000 of net present value benefit from energy efficient construction, the opportunity for \$160 million of net benefit was lost by not having had an energy conservation standard in place during these past 10 years. Compare this to the \$45 million net benefit expected from the Bradley Lake Hydroelectric project, another type of energy project. We can wait no longer for the energy conservation standard. Please urge its swift implementation.

Sincerely yours,



Alan Mitchell

cc: all legislators and the Governor



(136)(CS) HB 318

MAR 11 1988

Alaska State Legislature

Please enter into the record my testimony to the House
COMMUNITY & REGIONAL AFFAIRS
committee name _____

committee on HB 318 & 319 , dated 3-9-88
bill/subject

Rep. Springer,
Please register my support of both
HB 318 - 319 establishing the Alaska Craftsmen
Home Program. \$1,621,000 is not very much
money when you travel the state and see so many
poorly constructed houses and so few that are well
built with technology proper for the climate. The
facts are that the largest single investment is on a
home, most of our lives are spent in our homes and
how we perceive our living conditions, dictate how
we view our Alaskan experience. Hence - Alaska
is a much kinder place when you live in
an Alaska Craftsmen Home. I live in one
and my small 4200 square feet house
heats for between 3-400 dollars each year.
Thank you for considering my testimony -

Signed: Philip C. London
Testifier

NORTCH
Representing (Optional)

Box 2701 FAIRBANKS, AK 99707
Address

457-2844
Phone No.



Alaska State Legislature

MAR 11 1988

Please enter into the record my testimony to the H CRA
 committee name
 committee on ACHP 318/319, dated 3/9/88
 bill/subject

I've been building in Alaska for the last twenty years or so and have been very interested in energy efficient building for the last ten years.

I attended the first workshop in Fairbanks last year and was so impressed that I've given my crews time off to take the workshop.

I urge you to fund this program to continue the education of builders & consumers to improve the housing stock in AK.

Signed: Michael J. Mueck
 Testifier

ESTER CONSTRUCTION

Representing (Optional)

P.O. BOX 161 ESTER, AK 99725

Address

479-6190 w 479-5336H

Phone No.



Alaska State Legislature

MAR 11 1988

Please enter into the record my testimony to the HC and RA

committee name

committee on Crafts - 1000
Alaska Home Program, dated 3-9-88
bill/subject

Three years ago I built my home with a lot of advice from one of the people now involved in this program. Wall thickness, R-values, number of windows and window placement was all reviewed before I started construction. I now live in a home that cost me @ \$50,000 per year, not per month. I believe that if I had built the house according to my original plans my heating costs would be considerably higher today. With the economy in the shape it is in, I don't think I would have been able to keep my home, if I were to have to pay higher heating costs. I support HB 318 and 319

Thank you

Signed: Marton P. Wubbold Marton P. Wubbold

Testifier
Self

Representing (Optional)

P.O. Box 60773 Fairbanks Alaska 99706

Address:

457-603

Phone No.

MAR -7 1988

RECEIVED NOV 24 1987

WtH Jm / CRA
13e (CS) HB 318

KODIAK ISLAND BOROUGH
RESOLUTION NO. 87-71-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy construction, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program. And that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the Kodiak Island Borough; and

WHEREAS, the citizens of the Kodiak Island Borough will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that it is the policy of the Kodiak Island Borough to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program;

AND BE IT FURTHER RESOLVED that the Kodiak Island Borough supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 5 day of November, 1987.

KODIAK ISLAND BOROUGH

By [Signature]
Borough Mayor

By [Signature]
Presiding Officer

ATTEST:

By [Signature]
Borough Clerk

Sp / CRA

PLA
(13 F) (CS) HB 318

Introduced by: Mayor Jones
Introduced: 06/02/87
Drafted by: G.L.S.

MAR - 4 1988

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That it is the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987.

Dorothy A. Jones
Dorothy A. Jones, Mayor

ATTEST:
Chris Seagraves
Chris Seagraves, Borough Clerk
(SEAL)



The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation..

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of these include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -	
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -	
The Kodiak Island Borough -	The Municipality of Anchorage -	
Fairbanks North Star Borough -	City of Kodiak -	City of Palmer -
City of Wasilla -	City of Kenai -	City of Seward -
City of Anderson -	City of Soldotna -	Association of
Housing Authorities -	The Joint Energy Task Force of Utilities -	
North Slope Borough Utilities -	The American Lung Association -	
Alaska Center for the Environment -	Interior Economic Development Council -	
Alaska State Homebuilders Association -	Interior Homebuilders Association -	
Mat-Su Homebuilders Association -	Building Industry Association of Anchorage -	
The Anchorage Daily News -	The Frontiersman -	AVEC - ML&P - AKPirg



CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99687
PHONE: 373-9050



WASILLA
A Bicentennial
Community

Requested By: Councilman Welsh
Prepared By: Clerk's Office

RESOLUTION NO. W87-I-2

A RESOLUTION OF THE CITY OF WASILLA, ALASKA ENCOURAGING THE BUILDING OF HOMES TO THE ENERGY EFFICIENT STANDARDS OF THE ALASKA CRAFTSMAN HOME PROGRAM AND IN SUPPORT OF SB 308 AND HB 318 AND 319.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program, and that these bills will help improve and stimulate the home building industry in Alaska through incentives and education and thereby improve the local economy of the State; and

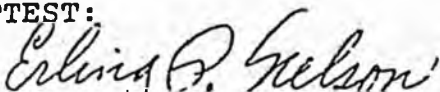
WHEREAS, the citizens of the State of Alaska and the City of Wasilla will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program;

NOW THEREFORE BE IT RESOLVED, that it is the policy of the City of Wasilla to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program; and

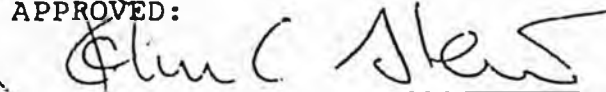
BE IT FURTHER RESOLVED, that the City of Wasilla supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 14 day of December, 1987.

ATTEST:


ERLING P. NELSON, CMC
City Clerk

APPROVED:


JOHN C. STEIN, Mayor

(SEAL)

15 HB 318

3111 "C" STREET, SUITE 455
ANCHORAGE, ALASKA 99503
(907) 561-7628

ALASKA STATE HOUSE
OFFICE OF MAJORITY WHIP

CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: David Harrison, Aide
House Community and Regional Affairs Committee

FROM: Rep. Ellis *JE*

RE: CS HB 318 and CS HB 319

DATE: March 21, 1988

I have forwarded a copy of a letter I received as follow up from the Housing Assistance Division of DC&RA. Please note that the letter substantiates the division's ability to incorporate energy efficiency into the application of Supplemental Housing Development monies to HUD projects.

Please distribute copies of the letter to committee members.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

HOUSING ASSISTANCE DIVISION

MAR 1 1988

March 18, 1988

The Honorable Johnny Ellis
P.O. Box V
Juneau, Alaska 99811

Dear Representative Ellis:

We are pleased to provide you with the information Debra Bonito of your staff requested by telephone on March 11, 1988. She requested information regarding the Supplemental Housing Development program administered by the Department of Community and Regional Affairs (DCRA). Her requests were in regard to the thermal standards requirement for future construction of U.S. Department of Housing and Urban Development (HUD) funded housing which we supplement with the Supplemental Housing Development funds.

The information she requested includes:

1. Budget level;
2. Application process;
3. How the funds are tracked currently;
4. Additional funding needed to meet thermal standards; and
5. How we would track additional funds.

1. Budget level;

Our budget level each fiscal year is basically determined by two things:

- A. Dependent upon the number of housing units allocated to the regional housing authorities in Alaska each year by HUD. This program provides a maximum of 20 per cent of HUD's total development cost, or \$18,440 per unit. HUD's total development cost per unit is \$92,200. Therefore, if HUD's allocation is 200 units they would require \$3,688,000 from this program. HUD's total development cost for those units would be \$18,440,000. This supplemental program can only

STEVE COWPER, GOVERNOR

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 561-0900

P.O. BOX B
JUNEAU, ALASKA 99811
PHONE: (907) 465-2267

P.O. BOX 295
DILLINGHAM, ALASKA 99576
PHONE: (907) 842-2245

P.O. BOX 350
KOTZEBUE, ALASKA 99752
PHONE: (907) 442-3675

P.O. BOX 348
BETHEL, ALASKA 99559
PHONE: (907) 543-3864

1514 CUSHMAN STREET, ROOM 206
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-4468

P.O. BOX 41
NOME, ALASKA 99762
PHONE: (907) 443-2655

STATEWIDE TOLL FREE
PHONE: 800-478-4585

Representative Johnny Ellis
March 18, 1988
Page Two

be used to provide funding for water and sewer facilities, roads and electrical distribution facilities to the project site only for housing projects approved for development to the regional housing authorities in Alaska by the U.S. Department of HUD.

- B. The second criteria used in determining our budget level is the state's revenue projections and the funding levels approved for capital projects. We balance between what we need and what is available, and when our budget is short, for the number of units HUD has requested funding for, we work in cooperation with HUD because they can not fund a project in rural Alaska without this state supplement.

2. Application Process:

HUD provides us with a list each year of the housing authority communities and number of housing units they will provide construction funds to. We coordinate with HUD in making our commitments because HUD cannot commit without assurance of our supplement. We then notify each housing authority formally with a letter from the Commissioner of DCRA of our commitment. This letter states the location, number of units and total funding from us. A grant agreement containing a budget of federal funds, state funds, and a copy of each of the contracts for development of a project is provided us. This includes construction contract, water and sewer, road and electric contracts. If a project cannot be developed for one reason or another (i.e., land title, cost prohibitive, etc); we uncommit the funding in cooperation with HUD and commit it to another project on the waiting list.

3. How the funds are tracked currently:

We maintain a master list showing each project and the funding, as well as an individual list for each fiscal year. These lists are on computer and show location, number of units, housing authority, and amount allocated for each. As payments are made, projects completed and closed out, this is recorded on the individual year and master list. Additionally, we maintain a separate file for each housing authority

Representative Johnny Ellis
March 18, 1988
Page Three

and village. This file contains a copy of their HUD allocation letter, correspondence, grant award, grant agreement and contracts, and quarterly development cost statements which we review. We close the project out upon receipt and approval of an audit certified by a CPA.

4. Additional funding needed to meet thermal standards:

Our conversations with HUD architects and the housing authorities show that we would need approximately \$4,500 per unit to meet the thermal standards requirements. This would be an increase from \$18,440 per unit to \$22,940 per unit in the supplemental program.

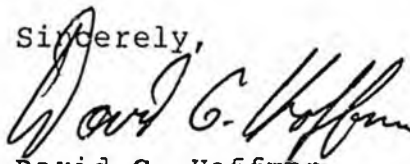
5. How we would track additional funds:

We would include an additional budget item in our grant agreements; record each in our current tracking system; and monitor each project as we do now. Additionally, a new section would be added to the grant agreement and we would require assurance from HUD and the housing authorities of their compliance in use of the funding for the thermal standards.

I hope the above satisfies your request for information; if you should require any additional information, please be sure to contact myself or Kay Graham in our Anchorage office, at 561-0900.

Thank you.

Sincerely,



David G. Hoffman
Commissioner

State energy conservation programs for the homeowner and builder

How does one build a home in Alaska? Alaska's climate varies from relatively mild maritime environments swimming in humidity with 7,000 heating degree days to wind swept arctic deserts with 22,000 heating degree days. Housing failures are immediate and dramatic in Alaska. The problem is how to build correctly in the various environments considering both the laws of physics and economics. And the solution is different for each climatic zone.

In most Alaskan communities, the demand for energy is placing a serious strain on the local economy. This is particularly true in rural communities which are subsistence based. The cost of energy is a constant drain on the local economy with money being sent out to petroleum suppliers rather than being circulated within the community. The burden that energy cost places upon the family is illustrated by the fact that rural Alaskans spend between 16% and 37% of their incomes on energy bills. It is clear that conservation has a key role to play in the state's economic development strategy as well as energy policy.

In Alaska, Government is taking a three program approach to the shelter industry regarding residential energy efficiency. The state provides a stick, a carrot and a vision.

Energy conservation works, the question becomes how to get the conservation technology adopted into the mainstream of the shelter industry. In government the natural tendency is to hammer the message home with codes. Observing the efforts in other states and the heavy industry resistance, Alaska decided to involve the private sector in the actual development of a state thermal code.

The state initiated the process by establishing an advisory committee with members representing builders, contractors, architects, engineers, bankers, code officials, and government. The committee made the key decisions in developing the standards. This allowed Alaska to find the fatal flaws prior to implementation and develop a constituency. The committee broke the state into geographically determined regions and developed though computer analysis determined the most cost effective insulation strategies for each region. The committee then determined what was economically and politically the minimal standards for each region. The committee also chose to apply the codes only to state subsidized finance programs. Objections were minimized since the state is subsidizing mortgage programs and it could be argued that the state has a 30 year interest in the homes being financed. The state programs finance nearly 75% of all home mortgages in the state so the codes will certainly impact the industry. This was the stick to move the industry forward toward conservation building practices. Yet the state wanted to win those opposed to the codes over as well.

Next the state embraced the Energy Rated Home Program. This is a program that qualifies home buyers for a larger percentage of their gross income for home mortgages on energy efficient homes. The program can increase the debt ratio up to 4 percentage points. This allows the buyer to purchase a more expensive home. This is the carrot of the energy conservation program.

The state used the same industry partnership approach to develop the program. An advisory committee was established with representatives of the appraisers, bankers, Realtors, utilities, local governments as well as the state mortgage bankers association. Energy Extension Service and Energy Conservation Program funds were

used to develop rating sheets, train bankers and appraisers, and provide the first years generic marketing of the program. The computer program that was developed and used to analyze the thermal codes was used to establish the incentive breaks for the Energy Rated Homes program. Energy Rated Homes provides a valuable and consistent measure of the efficiency of a home.

Both the carrot and stick have moved the industry with their own help forward, but where does everyone want to go?

The Alaska Craftsman Home Program is the way we have unleashed the creativity of our progressive builders and designers and at the same time created a method to share the knowledge they will gain. This program provides the vision of the industry.

Within the bureaucracy this program presents the most difficult challenges and the greatest opportunities. To carry out an ambitious program such as the Alaska Craftsman Home Program it was clear that more resources and support were necessary than one agency could provide. The Department of Community and Regional Affairs had the experience and data base as a result of the efforts of putting together the thermal standards and participation in the energy rated homes program. The Cooperative Extension Service had the education background and an unbiased and technically sound reputation. The Cooperative Extension Service also had the trust of both the industry and private citizens alike, bridging an important gap there. The Alaska state Homebuilders Association had the political clout and network with the home builders across the state.

At first glance the relationships were not clear and some lingering suspicions from the regulatory experience had to be dispelled. Common ground was found with leadership provided by the neutral Cooperative Extension Service. The Cooperative Extension Service put together the program to achieve each of the groups interests. The state wanted to encourage energy efficient construction, the Cooperative Extension Service wanted to initiate a statewide builder education program, and the Home builders wanted a stimulus for the ailing building industry, state-of-the-art information and a way to mitigate the apparent economic damage of new thermal regulation.

a great deal of effort has gone into establishing the program. Some credit has to be given to a convenient recession, and the right people in the right place at the right time for successes to date.

The thermal standards now establishes the minimal thermal levels, the Energy Rated Home Program initiates a graduated incentive program to reward people for pursuit of the state-of-the-art with the optimum being the Alaska Craftsman Home. The education program for each of the three programs is based around the state-of-the-art Alaska Craftsman Home.

The Alaska Craftsman Home Program is designed to change their standard as new information is gathered, to assure that this optimal voluntary program remains state-of-the-art. The three programs are all based on the 2 1/2 years of research the Department of Community and Regional Affairs, and Institute of Social and Economic Research did to establish the thermal standards and analysis through the AKWARM computer program. The minimal thermal standards and Alaska Craftsman are the lower and upper limits of economically viable thermal performance in Alaska. The Energy Rated Home Program measures any and all homes to see how they rate in comparison to the two standards (minimal and optimal) that have been established.

6830 Sherwood Ave
Anchorage, AK 99504
March 16, 1988

fw / DCRA
f.c.

(17) HB 318

MAR 22 1988

Representative Heinrich Springer
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, AK 99811

Dear Representative Springer:

I urge you to oppose any attempt to delay the implementation of the state's Energy Conservation Standard for New Residential Buildings. This standard requires that new homes built with state financing or assistance, meet a minimum level of energy efficiency.

The Department of Community and Regional Affairs has already delayed the implementation of these standards for nine months due to pressure from the building industry. This is after the building industry helped to develop the standards.

I worked at the California Energy Commission when California was developing it's building conservation standards. I was the Solar Office representative to the building standards team. The same thing happened in California that is happening here in Alaska. Although the industry had helped to develop the standards and even though they could raise no technical reason for delaying the standards, they approached the legislature for political relief from the standards. I understand that this has happened in most states where conservation building standards have been developed.

In Alaska I have performed residential and commercial energy audits for each of the Anchorage utilities. From the audits that I have performed, many on homes built within the last five years, Alaska's homeowners are not being served well by the current levels of conservation being built into new homes, and their utility bills are high and getting higher. If the state does not implement the standards now, it will be faced with upgrading homes built now as utility rates climb. Also, if the standards are implemented now, the construction industry will be able to incorporate the changes while building is slow.

Although the new standards will increase the cost of new homes, the Energy Mortgage Valuation (EMV) program will actually allow more potential homeowners to qualify for the homes, because the reduced utility bills are taken into account when calculating the debt-to-income ratio.

Delaying the state's Energy Conservation Standard for New Residential Buildings, will not benefit the State of Alaska or Alaskan consumers. Again I urge you to not delay the implementation of these standards.

Sincerely yours,



Ed West

cc: all legislators and the Governor