



LAWS OF ALASKA

1990

Source

CSSSSB 150(C&RA)

Chapter No.

103

AN ACT

Establishing a senior housing office and loan program in the Department of Community and Regional Affairs; directing the Older Alaskans Commission to assist the senior housing office; and authorizing the issuance of bonds for senior housing.

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

THE ACT FOLLOWS ON PAGE 1, LINE 12

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 14, 1990
Actual Effective Date: September 12, 1990

AN ACT

Establishing a senior housing office and loan program in the Department of Community and Regional Affairs; directing the Older Alaskans Commission to assist the senior housing office; and authorizing the issuance of bonds for senior housing.

* Section 1. AS 18.56 is amended by adding a new section to read:

Sec. 18.56.083. BONDS FOR SENIOR HOUSING. (a) Under the procedures of this chapter, the corporation may issue bonds in a total amount not exceeding \$30,000,000 to fund senior housing loans made by the Department of Community and Regional Affairs under AS 44.47.585 - 44.47.609 that are approved by the corporation under (b) of this section.

(b) Before requesting the corporation to issue bonds under this section, the Department of Community and Regional Affairs shall compile a list of senior housing projects that the department has determined are financially feasible and meet housing needs for senior citizens as required under AS 44.47.587(b). Upon the department's submission to the corporation of appropriate documentation of project feasibility and desirability, the corporation shall approve or disapprove the projects proposed.

(c) The proceeds of bonds issued under this section for approved projects shall be deposited in the senior housing revolving fund administered by the senior housing office under AS 44.47.585 -

1 44.47.609 on a schedule determined by the corporation.

2 (d) There is established in the corporation a senior housing
3 bond account. The account consists of proceeds of bonds issued under
4 this section, money appropriated to the account, repayments of princi-
5 pal transferred to the corporation under AS 44.47.593(a), and assign-
6 ments made under AS 44.47.593(b). The corporation may pledge assets
7 in the account and in the senior housing revolving fund for the pay-
8 ment of bonds issued under this section and may use money in the
9 account for payment of the bonds.

10 * Sec. 2. AS 44.21.230(a) is amended to read:

11 (a) The commission shall

12 (1) formulate a comprehensive statewide plan that identi-
13 fies the concerns and needs of older Alaskans and, with reference to
14 the plan adopted, prepare and submit to the governor and legislature
15 an annual analysis and evaluation of the services that are provided to
16 older Alaskans;

17 (2) make recommendations directly to the governor and
18 legislature with respect to legislation, regulations, and appropria-
19 tions for programs or services that benefit older Alaskans;

20 (3) encourage and aid the development of municipal commis-
21 sions serving older Alaskans and community-oriented programs and
22 services for the benefit of older Alaskans;

23 (4) employ an executive director who serves at the pleasure
24 of the commission;

25 (5) help older Alaskans lead dignified, independent, and
26 useful lives;

27 (6) request and receive reports and audits from state
28 agencies and local institutions concerned with the conditions and
29 needs of older Alaskans;

(7) administer, with the approval of the commissioner of administration, federal programs as provided under 42 U.S.C. 3001 - 3045i (Older Americans Act), as amended; [AND]

(8) administer, with the approval of the commissioner of administration, state programs as provided under AS 47.65; and

(9) give assistance, on request, to the senior housing office in the Department of Community and Regional Affairs in administration of the senior housing loan program under AS 44.47.587 - 44.47.609 and in the performance of the office's other duties under AS 44.47.585.

* Sec. 3. AS 44.21.230(b) is amended to read:

(b) To accomplish its duties, the commission may

(1) review, evaluate, and comment upon state programs concerned with the problems and the needs of older Alaskans;

(2) collect facts and statistics, and make studies of conditions and problems pertaining to the employment, health, housing, financial security, social welfare, and other concerns that bear upon the well-being of older Alaskans;

(3) provide information about public programs that would be of interest or benefit to older Alaskans;

(4) appoint special committees, which may include persons who are not members of the commission, to complete necessary studies;

(5) promote community education efforts regarding the problems and concerns of older Alaskans;

(6) contract for necessary services;

(7) consult and cooperate with persons, organizations, and groups interested in or concerned with programs of assistance to older Alaskans;

(8) advocate improved programs of benefit to older

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Alaskans;

(9) set standards for levels of services for older Alaskans for programs administered by the commission; and

(10) adopt regulations necessary for the administration of AS 44.21.200 - 44.21.240 and to comply with federal law.

* Sec. 4. AS 44.47 is amended by adding new sections to read:

ARTICLE 9A. SENIOR HOUSING OFFICE.

Sec. 44.47.585. SENIOR HOUSING OFFICE. (a) There is established in the department a senior housing office. The office shall promote a comprehensive response to the needs of senior citizens for adequate, accessible, secure, and affordable housing in the state. In order to fulfill this purpose, the office may

(1) study the needs of senior citizens in the state for housing to meet their needs;

(2) seek funding from appropriate sources for the development of housing alternatives for senior citizens;

(3) administer the senior housing loan program established under AS 44.47.587 - 44.47.609;

(4) cooperate and coordinate with other public and private agencies, including the Alaska Housing Finance Corporation and the Alaska State Housing Authority, to respond to the housing needs of senior citizens;

(5) offer public education programs to increase the awareness of alternatives to large residential facilities for senior citizens;

(6) provide information to senior citizens to help them understand their financial alternatives related to homes they might already own and to help them coordinate with other senior citizens in finding housing alternatives, including information and coordination

on home equity conversion and home sharing; and

(7) disseminate information to construction contractors to educate them about remodeling projects that would meet the needs of many senior citizens for accessible and secure housing.

(b) In order to avoid duplication of efforts and to benefit from the commission's expertise, the office shall consult with the Older Alaskans Commission in the performance of the office's duties under AS 44.47.585 - 44.47.609 so that the housing needs of senior citizens can be met most efficiently and effectively.

Sec. 44.47.587. SENIOR HOUSING REVOLVING FUND. (a) The senior housing revolving fund is established in the department. The revolving fund consists of appropriations made to it by the legislature, the proceeds of bonds sold under AS 18.56.083 as they are deposited by the Alaska Housing Finance Corporation for specific projects, and money or other assets transferred to the revolving fund by the department. Amounts deposited in the revolving fund may be pledged by the Alaska Housing Finance Corporation for bonds issued under AS 18.56.083 and used by the office for making, purchasing, or participating in

- (1) senior housing mortgage loans;
- (2) loans made for building materials for senior housing;
- (3) loans made for renovation or improvement of or for senior housing, including loans for renovation or improvement of congregate or individual residences; and
- (4) loans made for the construction of senior housing.

(b) The department, under guidelines established in regulations adopted by the department in consultation with the Alaska Housing Finance Corporation, shall determine for each loan proposed to be made under AS 44.47.587 - 44.47.609 the financial feasibility of the project for which the loan would be used and the extent to which the

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1 project would meet senior housing needs in the area for which it is
2 proposed.

3 Sec. 44.47.589. INTEREST RATE. The interest rate on loans made
4 under AS 44.47.587 - 44.47.609 that are funded by a bond issue of the
5 Alaska Housing Finance Corporation is equal to the cost of funds of
6 that bond issue plus

7 (1) two percentage points for a construction loan;

8 (2) one-half of one percentage point for a permanent loan.

9 Sec. 44.47.591. CONDITIONS ON LOANS. (a) The commissioner
10 shall adopt regulations in accordance with the Administrative Proce-
11 dure Act (AS 44.62) establishing acceptable security for loans origi-
12 nated or purchased in whole or in part under AS 44.47.587 - 44.47.
13 609.

14 (b) The department may condition a loan under AS 44.47.587 -
15 44.47.609 on an agreement by the borrower to maintain the financed
16 project as senior housing for a time period specified by the depart-
17 ment. The department shall establish by regulation the criteria it
18 will use for specifying time periods under this subsection and for
19 determining under what circumstances the time periods can be decreased
20 after the loan is made.

21 Sec. 44.47.593. TRANSFER AND ASSIGNMENT OF CERTAIN ASSETS. (a)
22 The department shall transfer to the Alaska Housing Finance Corpora-
23 tion repayments of principal it collects for a loan made under AS 44.-
24 47.587 - 44.47.609 that was funded by bonds issued by the Alaska
25 Housing Finance Corporation under AS 18.56.083.

26 (b) The department shall assign to the Alaska Housing Finance
27 Corporation all right, title, and interest of the department in prop-
28 erty financed through a loan made under AS 44.47.587 - 44.47.609 that
29 was funded by bonds issued by the Alaska Housing Finance Corporation

under AS 18.56.083.

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Sec. 44.47.595. FIRE INSURANCE. Before purchasing or participating in the purchase of a senior housing mortgage loan, the office shall require the borrower to agree to purchase and maintain fire insurance for the real property for which the loan is made in an amount not less than the outstanding principal balance of the loan.

Sec. 44.47.597. LOAN ORIGINATION AND SERVICING. (a) Before purchasing or participating in the purchase of a senior housing loan, the office shall enter into a loan servicing agreement with the private financial institution from which the loan is to be purchased.

(b) The office may execute service agreements with private lending institutions or with regional native housing authorities established under AS 18.55.996 to service loans originated by the office.

(c) Under the servicing agreement, the private financial institution or the regional native housing authority shall administer the loan and may charge the office a negotiated origination or servicing fee on the office's share of the loan. When appropriate, the private financial institution or the regional native housing authority may also charge the borrower a reasonable origination fee not to exceed one percent.

Sec. 44.47.599. APPRAISALS. Before originating or purchasing or participating in the purchase of a senior housing mortgage loan, the office may have or may require the borrower to have an appraisal made of the fair market value of the real property, including structures on the real property, for which the loan is made. In conducting an appraisal under this section, the appraiser shall give full value to insulation and other features of construction in structures on the real property that add to the energy efficiency of the structures.

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1 Sec. 44.47.601. TOLL-FREE TELEPHONE NUMBER. The office shall
2 arrange for and maintain a toll-free telephone number for the office
3 so that private financial institutions and their borrowers may contact
4 the office from any location in the state by telephone without a toll
5 charge.

6 Sec. 44.47.603. CONTRACTING FOR SERVICES. Under AS 36.30 (State
7 Procurement Code), the office may contract for the services of persons
8 who will assist the office in performing its duties under AS 44.47.-
9 585 - 44.47.609.

10 Sec. 44.47.609. DEFINITIONS. In AS 44.47.585 - 44.47.609,

11 (1) "office" means the senior housing office established
12 under AS 44.47.585;

13 (2) "senior housing" means construction or improvement
14 undertaken primarily to provide dwelling accommodations for persons 60
15 years of age or older, including conventional housing, housing for
16 frail elderly, group homes, congregate housing, residential horizontal
17 property regimes organized under AS 34.07, residential cooperatives
18 organized under AS 10.15 or AS 34.08, residential condominiums organ-
19 ized under AS 34.08, and other housing that meets special needs of the
20 elderly; "senior housing" includes acquisition, construction, or
21 rehabilitation of land, buildings, improvements, and other nonhousing
22 facilities that are incidental or appurtenant to the housing.