

2. HOME Projects

Table 3 lists the HOME-assisted projects that were active during the reporting period. The following pages contain details on each project.

TABLE 3 - Summary of HOME-Funded Projects

	Proposed Activities	IDIS #	Location	Balance 12/31/2003 (2003 CAPER)	2004 Amendments/ Adjustments	Expended PY2004	Balance 12/31/2004	Notes
#1	Administration, Planning, and Grant Management	Various	City-wide	122,272	108,423	123,370	107,325	1
#2	Anchorage Community Home Ownership Resources (AnCHOR)	Various	City-wide	460,183	707,202	393,800	773,585	2
#3	Homeowner Rehabilitation Program	657	City-wide	806,500	0	0	806,500	
#4	CHDO Housing Development – Greater Opportunities for Affordable Living	TBA	TBA		132,049	0	132,049	4
#4	Housing Development – Greater Opportunities for Affordable Living	TBA	Mountain View		695,355	0	695,355	5
#5	Tenant-based Rent Assistance	n/a	City-wide	117,247	-117,247	0	0	3
#6	Housing Acquisition and Rehab Program (HARP), (CHDO)	548	City-wide	600,717	-11,397	0	589,320	6
#7	Anchorage Housing Initiatives (AHI)	308,309	City-wide	55,998	52,355	0	108,353	7
#8	CHDO Operating Expense Assistance	TBA	City-wide	0	55,955	0	55,955	3
	<i>Total</i>			2,162,917	1,622,695	517,170	3,268,442	

Notes

1. (\$11,078) correction of prior year admin amounts, \$119,501 from 2004 Action Plan
2. \$421,940 added in 2004 Action Plan
3. 2004 Action Plan
4. \$15,450 correction of prior year CHDO amounts
5. \$117,247 from TBRA, 496,434 from 2004 Action Plan; 81,674 from prior year grants closed out/reconciled
6. (\$11,397) correction of prior year CHDO amounts
7. \$1,088 correction of prior year CHDO amounts

1. Administration, Planning, and Grants Management

Up to 10 percent of all new HOME funds in a given year, as allowed by HUD regulation, including program income, may be used to provide planning, technical assistance and grant management to carry out HOME, to develop the Consolidated Plan, Action Plans, and other selected activities. HOME funds in this category were used by the Community Development Division for these purposes. Also see, 1. Administration, Planning, Grants Management in the CDBG section.

2. Anchorage Communities Home-Ownership Resource (AnCHOR)

The AnCHOR Program is a user-friendly resource designed to assist low- and moderate-income Anchorage families purchase homes, and “anchor” neighborhoods by increasing homeownership rates. The program is available Citywide.

AnCHOR provided funds for down payment and closing costs, up to \$30,000, to families with household incomes at or below 80 percent of the area median who wish to purchase a single-family home within the Municipality of Anchorage. Assistance was provided in the form of a second mortgage loan on top of the maximum affordable first mortgage the borrower could obtain. The second mortgage was secured by a note and deed of trust. For the first ten

years of the loan, five percent (5%) of the loan is forgiven annually if the homeowner continues to make the property his or her principal residence. The remaining 50 percent of the loan is not forgiven. There are no periodic payments on the loan, however, if the borrower sells or moves out of the home at any time, the remaining balance becomes due and payable to the Municipality's HOME Program.

A borrower's total household income may not exceed U.S. Department of Housing and Urban Development's (HUD) established low-income limits, according to family size. These income limits are adjusted on an annual basis. The maximum amount of assistance is \$30,000 for existing houses and a minimum of \$1,000. Anchorage Neighborhood Housing Services, Inc. administered the program for the Municipality.

Two special types of loans were included in the HOME program this year. Zero-percent interest AnCHOR loans were available for down payment and closing costs for 8 households participating in the Affordable Homeownership program administered by Habitat for Humanity. The loans are deferred until the property is sold or the owner moves out of the home. The Municipality also partnered with AHFC in the Housing Choice Voucher Homeownership Program. This program provided AnCHOR loans to 5 disabled individuals utilizing Section 8 assistance in becoming homeowners.

The Municipality provided AnCHOR loans to 22 first-time homebuyers during the 2004 program year, representing \$393,800 in loans (total expenditures, not draw downs). The AnCHOR loans made possible \$2,324,659 in first-mortgage loans, and the purchase of \$3,248,647 worth of real estate. Of the 22 loans, 4 were obtained with females as head of household. Five recipients were disabled; and, none were elderly. Since the program began in 1997, 301 families have been assisted, representing \$6,297,172 in AnCHOR loans, \$21,420,373 in first-mortgage loans, and \$28,278,461 worth of real estate purchased. The average AnCHOR loan was \$17,900 in 2004, \$20,921 over the life of the program; the average first mortgage in 2004 was \$108,226, \$71,164 for the program; and the average purchase price in 2004 was \$147,666, \$93,948 for the program.

Agency	Anchorage Neighborhood Housing Services, Inc.
Contact:	Barbara Worley
Title	Director of Lending
E-Mail Address	bworley@akanhs.org
Business Address	480 West Tudor Road
City, State, Zip Code	Anchorage, AK 99503-6614
Mailing Address	Same as above
Business Phone	907 677-8490
Business FAX	907 677-8450

The following table lists the addresses of the homes purchased and the amount of assistance provided.

Units receiving AnCHOR assistance this FY.			
	IDIS #	Address	Amount
1.	698	238 North Park Street	\$1,000
2.	690	241 North Bragaw Street	\$1,000
3.	691	233 North Bragaw Street	\$1,000
4.	692	231 North Bragaw Street	\$1,000
5.	703	4039 East 20 th Avenue, B75	\$30,000

6.	704	7706 boundary Avenue	\$19,800
7.	705	3470 Nova Circle	\$22,000
8.	706	2935 Suncatcher Court	\$25,000
9.	707	1661 Eastridge Drive, 201	\$30,000
10.	718	8101 Seacliff Street	\$30,000
11.	719	1640 Eastridge Drive, 102	\$30,000
12.	720	6415 east 10 th Avenue	\$30,000
13.	721	11931 Copper Mountain Drive	\$30,000
14.	723	4141 McLean Place	\$30,000
15.	724	7431 Meadow Street	\$30,000
16.	725	4833 Lorretta Lane	\$30,000
17.	726	3825 Baxter Road	\$30,000
18.	727	5340 Caribou Avenue	\$30,000
19.	728	132 North Flower Street	\$1,000
20.	729	221 North Bragaw Street	\$1,000
21.	731	243 North Bragaw Street	\$1,000
22.	732	310 North Flower Street	\$1,000

Ethnicity	
Hispanic	5

Income Range	
30% of Median	6
50% of Median	9
80% of Median	7

Race	
White	14
Native Hawaiian / Other Pacific Islander	0
Asian	3
Asian & White	0
Black/African American	4
Black/African American & White	0
American Indian/Alaskan Native	1
American Indian/Alaskan Native & White	0
American Indian/Alaskan Native & Black /African American	0
Other Multi-racial	0
TOTAL (Must equal Total Persons Served)	22

The first six loans closed at the beginning of the program year were associated with the AnCHOR contract with ANHS that expired December 31, 2003. The Municipality extended that contract so that the final projects could be completed. Therefore, while \$393,800 of HOME funds were expended during the program year, only \$387,800 of the expended funds were associated with the funds budgeted for the 2004 Action Plan.

Additionally, the 2004 Action Plan's budget for the AnCHOR Program contained and additional \$421,940 of HOME funds and \$66,824 of funds from the closed Rental Rehabilitation Program the Municipality once operated under 24 CFR part 511. The contract amendment implementing these funds was not executed. No additional funds were added during the program year. The program operated entirely on the \$566,171 of original

contracted monies. While the table below shows the actual amount of funds spent during the year (including the six project held over from the previous program year), the line entitled HOME BALANCE DECEMBER 31, 2004 reflects the HOME funds remaining in the current contract at the end of the year.

3. Homeowner Rehabilitation Program

The Homeowner Rehabilitation Program, launched in October of 2003, was created to provide low interest loans to families with household incomes at or below 80 percent of the area median. The maximum loan amount permitted is \$35,000, secured by a note and deed of trust. For the first ten years of the loan, five percent (5%) of the loan will be forgiven annually if the homeowner continues to make the property his or her principal residence. The remaining 50 percent of the loan will not be forgiven. There are no periodic payments on the loan, however, if the borrower sells or moves out of the home at any time, the unforgiven balance becomes due and payable to the Municipality's HOME Program. Because the program began in late 2003, no additional funds were programmed for PY 2004.

This program main activities rest with correcting code violations, painting, weatherizing, and adding on bedrooms, bathrooms, and/or garages. Such additions are allowed based on need. The Homeowner Rehabilitation program was administered by Na Qenq'a Community Development Financing, Inc., a non-profit subsidiary of Cook Inlet Housing Authority.

No loans were closed during the program year. Reasons for the lack of performance by Na Qena'a rested with difficulties in program implementation and Na Qenq'a's staffing restructuring.

Homeowner Rehabilitation units completed this PY.

1. None \$0

Homeowner Rehabilitation units in progress. Expended

1. None \$0

Ethnicity		Income Range	
		Hispanic	0
		50% of Median	0
		80% of Median	0

Race	
White	0
Native Hawaiian / Other Pacific Islander	0
Asian	0
Asian & White	0
Black/African American	0
Black/African American & White	0
American Indian/Alaskan Native	0
American Indian/Alaskan Native & White	0
American Indian/Alaskan Native & Black /African American	0
Other Multi-racial	0
TOTAL (Must equal Total Persons Served)	0

4. Housing Development – Greater Opportunities for Affordable Living

The Municipality of Anchorage planned to partner with Alaska Housing Finance Corporation (AHFC) to distribute funds for rental or homeownership housing development through the annual Greater Opportunities for Affordable Living (GOAL) Program. The 2004 GOAL program accepted applications in October of 2004 but did not make award announcement by the end of the year. Other resources available through GOAL include Low Income Housing Tax Credits, Senior Citizen Housing Development Funds (SCHDF), Special Needs Housing Grant (SNHG) and AHFC financing. GOAL program rating criteria and requirements are described in detail in AHFC's GOAL Qualified Allocation Plan, Application Instructions and Policies and Procedures, available on AHFC's website: <http://www.ahfc.state.ak.us>. In addition to these criteria, Anchorage HOME program applicants were required to match HOME dollars with qualified HOME match on a dollar for dollar basis, only 25 percent of which may be satisfied through bond financing. Additional match will be encouraged through bonus points. SNHG and SCHDF are both eligible sources of HOME match. Details of what constitutes HOME match may be found in the GOAL Policies and Procedures or in HUD Notice CPD 97-03.

The Municipality of Anchorage is required to set aside fifteen percent of its annual allocation for Anchorage-certified Community Housing Development Organizations for housing development activities. In 2004, \$115,972 in HOME in this category was set-aside for CHDOs. The remaining CHDO set-aside was budgeted in the CHDO Demonstration Project.

6. Housing Acquisition and Rehab Program (HARP), (CHDO)

The program provides for acquisition and new construction/rehabilitation of housing. Completed units will be sold to low- and moderate-income homebuyers. HARP requires consideration be given to universal design and disability access. Prior year HARP funds were awarded through an RFP in 2003 to Anchorage Neighborhood Housing Services.

No projects were completed and no new properties were acquired during the program year.

7. CHDO Demonstration Project – Anchorage Housing Initiatives, (CHDO)

Anchorage Housing Initiatives continued with the CHDO demonstration project which produces accessible housing for purchase by low- and moderate-income households with at least one member who has a disability. One unit was completed and sold in 2003. Property for a second unit was secured in 2002. Construction is slated for 2005 under an agreement with ANHS and the HARP Program. Proceeds from the sale of the homes are retained by AHI for the program, or for other eligible affordable housing activities.

Agency	Anchorage Housing Initiatives, Inc.
Agency Program	Welcome Home Program
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Title	Program Director
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City, State, Zip Code	Anchorage, AK 99520
Business Phone	261-5361
Business FAX	563-2045
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8. CHDO Operating Expense Assistance

The HOME program allows local jurisdictions to provide up to five percent of its annual HOME allocation to Community Housing Development Organization engaged in HOME CHDO activities as operating expense assistance. The Municipality of Anchorage launched a CHDO operating expense assistance program for small CHDOs in 2004. The program will provide assistance to small CHDOs in Anchorage. Assistance began in December of 2004 and will provide \$40,000 each to Anchorage's two newest CHDOs over a twelve month period: the Shiloh Community Development Corporation and Anchorage Housing Initiatives.

To qualify and retain future annual funding assistance, CHDO's will be required to present a plan (and update it annually) for achieving self sufficiency. The plan must also show how it currently utilizes or will utilize HOME funds for development activities. Priority will be given to organizations with a realistic plan for HOME utilization and achieving self sufficiency. Funds not distributed through this program may be reprogrammed for use in the GOAL program.
