

Section Fifteen: Leveraging



Federal, State, and Local Resources

Private Resources

What Does This Section Contain?

As discussed in the Community Vision section, collaboration and leveraging of funds are a top priority of the Community Development Division. This section contains information on organizations and funding organizations in the Municipality can use for housing and community development. Please note that this section is not a comprehensive list of funding sources but a foundation for further research.

What Does This Mean to Me?

This Section answers the following questions:

- What are some examples of funds that organizations can use in addition to the CDBG, HOME, and ESG programs to carry out housing and community development activities?
- What are the organizations that distribute the funds?

Resource Leveraging

As part of its mission of collaboration and leveraging¹, the Community Development Division has put together a list of resources that public agencies, neighborhoods, and nonprofit organizations can use to further the strategies in the Consolidated Plan. CDD anticipates that the following Federal, State, local, and private resources will remain available over the 5-year period of the Consolidated Plan. Some of the items listed are potential financial resources for both the Municipality and local nonprofits to leverage with current funds.

Federal Resources

Funds from the U.S. Department of Housing and Urban Development (HUD) and a variety of other Federal sources are available to address the Consolidated Plan's priority needs, such as grants and other revenues that provide funding to Anchorage or other organizations within the Municipality.

HOPE 1: Provides for homeownership for low-income families living in public housing. Eligible applicants must represent the residents and can include resident management corporations, resident councils, nonprofit organizations, cooperative organizations, a public body, or the housing authority.

HOPE 2: Provides for homeownership of multi-family properties owned or held by the Federal Housing Administration, Veterans Administration, Resolution Trust Corporation, or State or local governments. Eligible applicants include resident management corporations, resident councils, cooperative associations, a public body, or the housing authority.

HOPE 3: Provides for homeownership of single-family homes owned or held by the FHA, Federal Housing Administration, Veterans Administration, or state or local governments. HUD provides funds for purchase, rehabilitation, and homeownership counseling. Private nonprofit organizations, cooperative associations, or public bodies in cooperation with a private nonprofit organization may apply for HOPE 3 grants.

HUD Resident Opportunity and Self-Sufficiency Grants: The purpose of this program is to link services to public housing residents by providing grants for supportive services, resident empowerment activities, and activities to assist residents in becoming economically self-sufficient. This program is consistent with HUD's goal to focus resources on welfare to work and on independent living for the elderly and persons with disabilities. Public Housing Authorities, Resident Organizations, Intermediary Resident Organizations, and non-profits supported by public housing residents may apply. There is a

¹ The mission of the Community Development Division, as advised by the Housing and Neighborhood Development (HAND) Commission is: "to support community development through leadership, collaboration, and leveraging of resources, to help all of the Municipality's neighborhoods and residents participate fully in the social, cultural and economic life of the municipality."

25 percent match required.

The Alaska Housing Finance Corporation has funds available under this program. These funds pay for service coordination programs in Anchorage and Fairbanks. The Heavy Chore Services Program provides housekeeping services to 50 frail or at-risk elderly/disabled residents in Fairbanks. The grant also funds a half-time service coordinator who assists 62 elderly and disabled residents to remain independent in their own homes.

Supportive Housing for the Elderly (Section 202): This competitive Federal program funds nonprofit organizations to develop housing designed to accommodate the special needs of elderly persons and provide a range of services tailored to their needs. Assistance is in the form of capital advances and rental assistance. Recipients can use the funds for acquisition, rehabilitation, new construction, rental assistance, and supportive services. Private nonprofit sponsors apply directly to HUD in response to a published invitation.

Supportive Housing for Persons with Disabilities (Section 811): This competitive Federal program funds nonprofit organizations to develop housing designed to accommodate the special needs of persons with disabilities. It also provides supportive services that address the individual health and other needs of such persons. Houses may be group homes, independent living facilities, or intermediate care facilities. Assistance is in the form of capital advances and rental assistance. A set-aside exists under this program for persons disabled due to HIV. Eligible applicants are private nonprofit organizations. Interested parties submit applications to the HUD Field Office in response to a published invitation.

Supportive Housing Program (SHP): This program provides grants that can be used for acquisition, rehabilitation, new construction (limited), leasing of structures, operating costs, and supportive service costs of housing such as transitional and permanent supportive housing. Applications for this program are made as part of the annual Continuum of Care competition in Anchorage, which is lead by the Community Development Division. To learn more, contact the Community Development Division at 343-4881.

Shelter Plus Care (S+C): This competitive Federal program provides grants that can be sponsor-based, project-based, or tenant-based for rental assistance that is offered with support services to homeless persons with disabilities. Applications for this program are made as part of the annual Continuum of Care competition in Anchorage, which is led by the Community Development Division. To learn more, contact the Community Development Division at 343-4881.

Section 8 Moderate Rehabilitation for Single Room Occupancy (SRO) Housing: This competitive program offers funding to provide rental assistance on behalf of homeless individuals in connection with the moderate rehabilitation of SRO dwellings funded from other sources. It can be used for operating expenses, debt service for rehabilitation financing, and monthly rental assistance. Applications for this program are made as part of the annual Continuum of Care competition in Anchorage, which is lead by the Community Development Division. To learn more, contact the Community Development Division at 343-4881.

Housing Opportunities for Persons with AIDS (HOPWA): This program provides both entitlement and competitive grants for housing assistance and supportive services for low-income persons with AIDS and related diseases. It can be used for acquisition, rehabilitation, conversion, lease, repair of facilities, new construction, project-based or tenant-based rental assistance, planning, support services, operating costs, short-term payments (rent, mortgage, utility), and administrative expenses.

HUD Assisted Living Conversion Program: This program provides nonprofit owners of eligible developments with a grant to convert some or all of the dwelling units in the project into an assisted living home for the frail elderly. The state must license and regulate the assisted living home. This program provides funding for the physical costs of converting some or all of the units of an eligible development into an assisted living home, including the unit configuration, common and services space, and any necessary remodeling, consistent with HUD or state statute/regulations (whichever is more stringent). There must be sufficient community space to accommodate a central kitchen or dining facility, lounges, recreation, and other multiple-areas available to all residents of the project, or office/staff spaces. The owners either directly or through a third party must provide funding for the supportive services. Only private nonprofit owners of Section 202, Section 8 project-based housing developments that are designated primarily for occupancy by the elderly for at least five years are eligible for funding. A private nonprofit of an unused/underutilized commercial property is also eligible. For more information, contact the Anchorage HUD Office at 271-4663.

HUD Service Coordinators in Multi-Family Housing: The purpose of this Service Coordinator program is to allow non-profit multifamily housing owners to assist elderly individuals and people with disabilities living in HUD-assisted housing and in the surrounding area to obtain needed supportive services from the community, in order to enable them to continue living as independently as possible in their own homes. Eligible programs include HUD Sec. 202, 221/236, and Section 8: Project-based assistance. The number of units in the property and a 1:5 staffing ratio determines the maximum grant. Service Coordinator grants are awarded competitively each year, with priority going to Assisted Living Conversion Program sites. For more information, contact HUD at 271-4663.

Emergency Food and Shelter Program: The Emergency Food and Shelter Program, formerly known as FEMA, is another source of Federal formula funds that are awarded annually to local jurisdictions to aid the homeless and near homeless. With the exception of major shelter development, the eligible activities for this program are essentially the same as ESG (i.e. essential services, shelter operating support and homeless prevention.) Funds are generally distributed through local United Way.

Native American Housing Assistance and Self-Determination Act (NAHASDA): The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) reorganized the system of Federal housing assistance to Native Americans by eliminating several separate programs and replacing them with a single block grant program (called the HUD Indian Housing Block Grant, which is described on the next page). Alaska's Tribally Designated Housing Entities (TDHEs) brought in more than \$101 million in funding in FFY01. NAHASDA targets funds to Native people at 80 percent of the Area Median income (AMI), although a TDHE may request and receive permission to serve non-native individuals and families at 80 percent AMI with HUD permission. Each TDHE writes its own Indian Housing Plan. Shelters and homeless prevention services may be included. To date, only one regional housing authority has used NAHASDA for this purpose, Cook Inlet.

Low-Income Housing Tax Credits: The Alaska Housing Finance Agency administers the State's Low-Income Housing Tax Credit Program. This program is an Internal Revenue Service program that provides federal income tax credits to owners of rental housing where a number of units are set aside for low and moderate-income families. Owners can use the tax credit in two ways: 1) To offset their own personal federal income tax liability, or 2) "Sell" the credit to investors and use the funds to support the development cost of the project. The amount of credit for which a project is eligible is equal to a percentage of the costs attributable to the set-aside units. In FY02, Alaska's share of tax credits increased to \$2 million. Alaska is the first state in the nation to place a priority in housing for people with special needs in tax credit allocations.

Low-Income Housing Preservation Program: This competitive program provides financial incentives to retain subsidized housing projects when Federal assistance is expiring. The owner may apply for incentives or sell to another entity that will maintain low-income affordability restrictions.

HUD Indian Housing Block Grant (IHBG): The Indian Housing Block Grant program provides annual formula grants to Native American families to assist and promote affordable housing activities for the benefit of low-income American Indian and Alaska Native tribes families. The Tribal IHBG recipient may administer the program or it may designate a tribally designated housing entity (such as a Regional Housing Authority) to do so. The tribe may use the funds for any eligible activity, in accordance with its determination of need. The housing may be rental or home ownership. Eligible housing activities include housing assistance, housing development, housing services, housing management services, and crime prevention and safety activities. For more information, contact HUD at 271-4663.

HUD Title VI Federal Guarantees for Financing Tribal Housing Activities: This demonstration loan program guarantees 95 percent of principal and interest of notes or other obligations issued by Native American tribes or tribally designated housing entities (TDHEs) with tribal approval for the purpose of financing affordable housing activities described in Section 202 of NAHASDA. HUD may only provide the guarantee if financing cannot be completed without the use of the guarantee. Eligible affordable housing activities are limited to housing assistance, housing development, and model activities approved by HUD. HUD has \$54.3 million in guarantee authority for FY00, with \$98.8 million in

carryover from the previous two years. Once the \$98.8 million in FY 1998 & 1999 guarantee has been used, the authority for FY 2000 (\$54.3 million) may be used for any of the affordable housing activities detailed in NAHASDA. Those activities include housing services, housing management services, crime prevention, and safety activities. For more information, contact HUD at 271-4663.

HUD Section 184 Indian Housing Loan Guarantee: Section 184 loans provide access to sources of private financing to American Indian and Alaska Native tribes families, Indian Housing Authorities, and American Indian and Alaska Native tribes who otherwise could not acquire housing financing because of the unique legal status of American Indian and Alaska Native tribes lands or because of a lack of access to private financial markets. Mortgage financing is available for acquisition, construction (including manufactured homes), rehabilitation or the acquisition and rehabilitation of an existing home, on tribal trust, individual allotted trust or fee simple land in an American Indian and Alaska Native tribes area (purview of a tribe or tribal housing authority). For more information, contact HUD at 271-4663.

VA Homeless Providers Grant and Per Diem: The Veteran's Administration's Homeless Providers Grant and Per Diem Program is offered annually, as funding permits, by the Department of Veterans Affairs Health Care for Homeless Veterans Programs to fund community agencies providing services to homeless veterans. The purpose is to promote the development and provision of supportive housing and/or supportive services with the goal of helping homeless veterans achieve residential stability, increase their skill levels and/or income, and obtain greater self-determination. Only programs with supportive housing (up to 24 months) or service centers (offering services such as case management, education, crisis intervention, counseling, etc.) are eligible for these funds. The program has two levels of funding: the Grant portion and the Per Diem portion. Currently grants of up to 65 percent of the project are awarded for the construction, acquisition, or renovation of facilities or to purchase vans to provide outreach and services to veterans. The program may provide partial operating funds for programs through per diem payments. Priority in awarding the Per Diem funds goes to the recipients of Grants. Non-Grant programs may qualify if they meet these criteria: (1) at least 75 percent of those receiving supportive services are veterans, and (2) provide supportive housing or a homeless service center. For more information, contact the VA at 273-4000.

Lead-Based Paint Abatement Program: This program provides competitive grants to State and local governments for the development of cost effective community strategies for lead-based paint abatement. Recipients may use the funds for rehabilitation, planning and operating costs. Funding match is required for this program.

Surplus Housing to Assist the Homeless: This program leases suitable Federal properties, rent free, to organizations serving the homeless. The organizations must pay operating and any rehabilitation and/or renovation costs.

Section 108 Loan Guarantee (Section 108): Through Section 108, HUD guarantees notes issued by units of general local government. Funds finance economic revitalization and development activities that include housing and rehabilitation of privately owned buildings for residential purposes; expansion of for-profit businesses; financing and rehabilitation of low-income and public housing; acquisition, construction, or rehabilitation of neighbor-

hood and community facilities; site improvement on community-owned land leased to a developer for a commercial or industrial development project; site development; purchase of land or buildings for economic development; and infrastructure development that includes street reconstruction and/or sewer system repairs.

Community Services Block Grant (CSBG): This program can fund activities to implement anti-poverty activities such as housing counseling, emergency assistance and other supportive services.

Youthbuild: This program provides assistance for activities and services to assist economically disadvantaged youth to obtain education and employment skills and to expand the supply of permanent affordable housing. It may be used for planning grants or implementation grants that may be used for architectural and engineering work, acquisition, rehabilitation, construction, relocation, administrative costs, and education and job training services. Activities may also include counseling, leadership skill development, support services, wages, stipends and benefits to participants, operating expenses, replacement reserves, legal fees, and training and technical assistance for the applicant.

Community Outreach Partnership Center (COPC) Program: This HUD program provides funding for universities to become more involved in community development activities.

Department of Energy: The U.S. Department of Energy provides funds to carry out weatherization and energy assistance programs for low-income homeowners and tenants.

Brownfields Economic Development Initiative (BEDI) Grants: BEDI grants target Economic Development Initiative funds to brownfields projects. BEDI grants are made to local governments for use in supporting brownfield redevelopment activities and projects financed in whole or in part with Section 108 loan guarantees.

Economic Development Initiative (EDI): The Economic Development Initiative provides grants to be used in tandem with Section 108 guaranteed loans for economic revitalization projects. These grants will enhance the viability of such projects (through interest rate subsidies and debt service/operating reserves) and increase the likelihood that the Section 108 loans can be repaid from project revenue.

Federal Historic Preservation Tax Incentives: Federal Historic Preservation Tax Incentives are available for buildings listed in the *National Register of Historic Places* or located in certain historic districts that are substantially rehabilitated for income-producing purposes according to standards set by the Secretary of the Interior.

New Markets Tax Credit: The credit is expected to spur the investment of \$15 billion in new private capital into New Markets. By making an investment in an eligible “Community Development Entity” (CDE), individual and corporate investors can receive a tax credit worth more than 30 percent of the amount invested over the life of the credit. Eligible CDEs include for-profit community-development financial institutions, for-profit subsidiaries of community development corporations, the U.S. Small Business Administration, licensed New Markets Venture Capital companies, and specialized small business investment companies.

Public Works and Development Facilities Program: Grants are provided to help distressed communities attract new industries, encourage business expansion, diversify local economies, and generate long-term, private-sector jobs. Projects funded include water and sewer facilities primarily serving industry and commerce, access roads to industrial parks or sites, port improvements, and business incubator facilities. A proposed project must be located within or provide a substantial direct benefit to an area in severe economic distress, that is, one that is experiencing high unemployment, low per capita income, or sudden economic changes such as those caused by a military base closure.

Rebuild America: Rebuild America helps community and regional partnerships improve the energy efficiency of commercial and multifamily buildings. Partners may include government agencies, economic development organizations, energy services companies, financial institutions, utilities, private businesses, and nonprofit organizations. Rebuild America provides technical assistance and helps identify sources for financial assistance but does not provide funding or financing for building projects.

Rural Business Enterprise Grant Program: These grants help public bodies, nonprofit organizations, and federally recognized tribal groups finance and facilitate development of small and emerging private business enterprises located in rural areas. Grant funds can pay for land acquisition and development, construction of buildings and plants, equipment, access streets and roads, parking areas, utility and service extensions, refinancing, and fees for professional services.

Rural Economic Development Grants: This program provides grants to rural communities through Rural Utilities Service (RUS) borrowers to be used for revolving loan funds for community facilities and infrastructure and for assistance in conjunction with rural economic development loans.

Technology Opportunity Program: This program provides matching grants to nonprofit organizations such as schools, libraries, hospitals, public safety entities, and state and local governments. Grants fund projects that improve the quality of, and the public's access to, education, healthcare, public safety, and other community-based services. The grants are used to purchase computer equipment and software, train staff and users, and provide connections to the Internet. Funds also support evaluation and dissemination of project findings.

U.S. Department of Agriculture—Rural Development Agency: Rural Development provides acquisition, rehabilitation, new construction, rental assistance, and homebuyer assistance for non-urbanized areas only.

Farm Labor Housing Loans and Grants: This program provides insured loans or project grants to provide decent, safe, and sanitary low-rent housing and related facilities for domestic farm laborers. Loans are available to farmers, family farm partnerships, family farm corporations, or associations of farms. Loans and grants are available to States and U.S. territories, political subdivisions of States, public or private nonprofit organizations or any limited partnership in which the general partner is a nonprofit entity, federally recognized American Indian and Alaska Native tribes, and nonprofit corporations of

farmworkers. Grants are awarded only when there is a pressing need and when it is doubtful that such facilities could be provided without grant assistance.

The Single Family Home Loan Program (Section 502): This program involves a low interest loan directly from the agency to a prospective homeowner. The interest rate depends on the income and size of the family and can be as low as 1%. There is no down payment. To qualify, the family's income has to be below certain limits, which are different depending on location.

Guaranteed Single -Family Home Loan Program: This program helps moderate-income people qualify for a mortgage loan from a bank or mortgage company. The Federal Government guarantees the lender up to 80 or 90% of the loan against losses if there is default on the loan.

Self-Help Loan Program: Self-Help Loan Program assists groups of 6 to 8 families or individuals who want to build their own homes with professional supervision. All participants work on each other's houses, which are all built at the same time. There is no down payment and the overall mortgage is lower because of savings in labor costs.

Home Repair Loan Program (Section 504): The Home Repair Loan Program is available to low-income and elderly people who prefer to stay in their current homes, though they cannot afford repairs.

Rural Rental Program (Section 515): The Rural Rental Program provides low-income people apartments to rent for typically no more than 30% of their income. This program also assists developers, non-profits, and others to construct affordable apartments in return for favorable interest rates on their loan and tax breaks.

Housing Preservation Grant Program: This program also makes available funds to repair housing. Non-profits receive grants and they in turn make funds available to homeowners that can not afford to make needed repairs.

Multifamily Housing and Health Care Facilities Mortgage Insurance Programs: The Federal Housing Administration (FHA), part of the U.S. Department of Housing and Urban Development (HUD), provides mortgage insurance programs that make capital available for, and facilitate the development of, multifamily rental housing and healthcare facilities. FHA insures loans that are originated by private, HUD-approved lenders. Project sponsors are responsible for finding a HUD-approved lender to write the loan and for submitting an application for commitment to the local HUD office.

Rural Business Opportunity Grants: This grant provides funds for technical assistance, training, and planning activities that improve economic conditions in rural areas. Applicants must be located outside cities of more than 10,000 persons. Nonprofit corporations and public bodies are eligible. The program is designed to promote sustainable economic development in rural communities with exceptional needs.

Head Start/Early Head Start: This program awards grants to local public and private nonprofit and for-profit agencies for comprehensive child development services for children and families. Intended primarily for low-income families, the program fosters the

development of children and enables them to deal more effectively with both their present environment and later responsibilities in school and community life.

Community Facilities Grant Program: The Community Facilities Grant Program typically is used to fund projects under special initiatives such as Native American community development efforts, childcare centers linked with the Federal Government's Welfare to Work initiative, federally designated Enterprise and Champion Communities, and the Northwest Economic Adjustment Initiative area.

State Public Resources

Programs and funds at the State level are available to address the Consolidated Plan's priority needs, such as grants and other revenues that provide funding to the Municipality or other organizations within Anchorage.

AHFC Greater Opportunities for Affordable Living (GOAL) Program: The GOAL program provides a one-stop application process for grants, federal tax credits, and zero-interest federal loans to developers and project sponsors who build affordable rental housing for low-to-moderate income families and seniors. The program is open to for-profit corporations, non-profit agencies, individuals, and regional housing authorities. Three funding sources are included in the GOAL program. They are the HOME Opportunity Investment Program, the Low-Income Tax Credit Program, and the Senior Citizens Housing Development Fund. AHFC generally holds GOAL competitions on an annual basis. For more information, contact AHFC at 330-8275 or toll-free 800-478-2432.

AHFC Home Opportunity Program: AHFC allocates its Home Opportunity funds through the GOAL program. Corporations and/or public agencies administer this program to provide down payment and closing cost assistance to lower-income homebuyers. For-profits may receive loans; non-profits may receive grants or loans. Program sponsors are currently located in Fairbanks and Juneau. Grants are repaid pro rata if property is sold or transferred before 10 years. This program is funded through HUD HOME funds, and the FY03 allocation is \$845,000 including program income. For more information, contact AHFC at 330-6100.

AHFC Senior & Special Needs Housing Office: To increase awareness of housing needs, the Senior & Special Needs Housing Office develops an inventory of senior housing available within Alaska, provides information on home modifications and repairs, accessibility and design, funding sources, home-based assistance, and information to the construction industry about housing design to help meet the needs of senior citizens and other Alaskans with special needs. The Senior & Special Needs Housing Office also works with other public and private agencies to pursue various sources of financing for the development of housing. For more information, contact AHFC at 330-8436 or toll-free 800-478-2432.

AHFC Special Needs Housing Grant Program: The purpose of this program is to provide capital to develop supportive housing. Current priorities are for people with mental illness or other disabilities who have a history of cycling through the Alaska Psychiatric Institute (API) or through Department of Corrections (DOC) facilities. Permanent or

transitional independent housing are eligible activities. The intent is to produce housing as close to a normal residential setting as possible. In FY01 and 02, AHFC, DHSS, and the Trust coordinated the project in which AHFC provided capital funds for the development of the physical structure. When the housing is developed, the Trust and DHSS will contribute start-up funding for operating expenses in the form of rent payments for tenants. Tenancy is not conditioned on receiving community-based services from a particular provider. The FY02 fund amount is \$1.8 million. For more information, contact AHFC at 330-8274.

AHFC Multi-Family, Congregate, and Special Needs Loan Program: This program provides loans to purchase, rehabilitate, refinance, or provide the long-term financing for construction of affordable low-to moderate-income rental housing. Eligible housing includes multi-family, senior, physically and developmentally disabled, emergency shelter, traditional, and congregate. Individuals, non-profits, for-profits and state or municipal agencies are all eligible to apply. For more information, contact AHFC at 338-6100.

AHFC Multi-family/Special Needs Soft Second Mortgage Program: This program provides moderate assistance to a project so a rental project becomes feasible. The primary use has been new construction and acquisition with major rehabilitation. Developers often use the program in conjunction with tax credits. Tenant income and rent restrictions apply. It provides a soft second repayable through available cash flow at rate of 1.5 percent. If the project does not generate sufficient income, there is no payment. For more information, contact AHFC at 330-6100.

AHFC Senior Citizens Housing Development Fund: An AHFC funded program subject to legislative authorization each year. The total dollar amount varies each year, but has ranged from \$750,000 to \$1.5 million. There is no funding available during the application process. AHFC submits to the legislature projects that meet threshold requirements in support of AHFC's annual capital budget request. The legislature authorized the amount of funding, directly determines the number of projects AHFC may fund. AHFC makes grants only to non-profit agencies.

AHFC Senior Housing Loan Program: Through this program, AHFC provides affordable, accessible housing for senior citizens. Individuals, partnerships, joint ventures, for-profit corporations, regional housing authorities, non-profit corporations or local governments can apply for financing to purchase, construct, rehabilitate, or improve various types of housing that would meet the special needs of persons 60 years of age or older. Types of housing that could qualify for financing include conventional housing, housing for the frail elderly, group homes, congregate housing, and assisted living facilities. The term of the loan may not exceed 30 years or the remaining estimated economic life of the facility. For more information, contact AHFC at 330-8436 or toll-free 800-478-2432.

AHFC Senior and Statewide Deferred Maintenance: AHFC and the federal government fund \$700,000 in senior and statewide deferred maintenance projects. AHFC makes these funds available in one grant application along with Owner Occupied Rehabilitation and Weatherization program grants. For more information, contact AHFC at 330-8436 or toll-free 800-478-2432.

AHFC Homeless Assistance Program: The purpose of the Homeless Assistance Program (HAP) is to help community-based agencies such as local governments; regional housing authorities or non-profit organizations address situations involving homeless persons or persons in imminent danger of becoming homeless. HAP grants help fill the financial gap between identified needs and available resources. Private individuals are not eligible to apply for a HAP grant. To compete effectively for HAP funding, applicant agencies must provide documentation of need for the proposed service and evidence of community coordination and support. Between 1998 and 2001, funding requests consistently exceeded \$1 million. AHFC administers this program, which AHFC and the Alaska Mental Health Trust co-funded at \$450,000 per year. For more information, contact AHFC at 330-8276.

AHFC Assistance Provider Interest-Rate Reduction Program: This program was developed to provide an incentive, by subsidizing interest rates, to increase the availability of housing that is occupied by a live-in care provider, who provides assistance in activities of daily living for individuals with either a physical or mental disability. The housing must be appropriate to meet the needs of the occupants and their care provider. The assistance must be provided in a residential setting in a structure that does not exceed a four-plex. The loan must be for acquisition, acquisition with rehabilitation and/or improvement of existing property, take-out of a construction loan for new housing, and refinances. At least two occupants must reside in the housing. A live-in provider must provide the care on-site; and the appropriate authority for its intended use must license the housing. Eligible borrowers include individuals, partnerships, joint ventures, non-profits, trusts, and regional housing authorities. The interest-rate reduction is based on the initial number of occupants. If there are 2 to 3 occupants, the rate of reduction is 3.5 percent. If there are 4 to 5 occupants, the rate of reduction is 2.5 percent. For more information, contact AHFC at 330-6100.

AHFC Home Choice Voucher Program: Tenant based assistance is rental assistance that stays with the tenant under certain conditions when they move from unit to unit. The largest tenant based program in Alaska is the Housing Choice Voucher Program (formerly called Section 8), administered by AHFC's Public Housing Division. AHFC manages approximately 2,700 vouchers in 11 Alaskan communities including Anchorage, Fairbanks, Homer, Juneau, Kenai, Ketchikan, Kodiak, Mat-Su, Petersburg, Sitka, and Valdez. The only way AHFC receives additional vouchers is through Congressional appropriation. For example, in FY01, AHFC received a new increment of 310 vouchers. Included in this increment was a 50-voucher set-aside for persons with Medicaid waivers.

The Housing Choice voucher enables persons who are at or below 50 percent of the median income in their area to lease housing units from private landlords who are willing to participate in the program. These landlords must enter into an agreement with a public housing authority to charge rent that does not exceed the fair market rent for that area, and ensure that their unit(s) will be kept to HUD's housing quality standards. For more information, contact AHFC at 330-6100.

AHFC Section 8 Homeownership Voucher Program: In July 2002, AHFC launched the pilot Section 8 Homeownership Voucher Program targeting persons with disabilities. For this initial demonstration program, AHFC will select a maximum of ten families to participate. Qualifying families must have received Housing Choice voucher assistance at least 12 months prior to submitting their application to the Homeownership Program and possess an annual income equivalent to the minimum wage times 2000 hours. This is

equivalent to a single person's SSI, Adult Public Assistance, and Permanent Fund Dividend combined. Financing will likely come from one of AHFC's first-time homebuyer programs combined with homeowner down payment assistance. Eligible homes must be located within the boundaries of the existing Housing Choice Voucher Program. For more information, contact AHFC at 330-6100.

AHFC First-Time Home Buyer Programs: AHFC currently has three financing options designed primarily for first-time homebuyers: Taxable First-Time Home Buyer, Tax-Exempt First-Time Home Buyer, and the Interest-Rate Reduction for Low-Income Borrowers (IRRLIB). IRRLIB may be used in combination with both the Taxable and Tax-Exempt First-Time Home Buyer options.

Eligible buyers who have not had an ownership interest in a primary residence in the last three years may receive a lower interest rate on their mortgage. This program can offer lower interest rates. Federal regulations set a maximum acquisition cost and maximum income limits for the homebuyer. Owner-occupied, single-family residences, condominiums, some mobile homes, and duplex dwellings are eligible for this program. AHFC requires borrowers who participate in an IRRLIB loan to attend an approved pre-purchase homebuyer education course. Interest rate reductions are based on the annualized gross family income from all sources. Homebuyers may combine this program with other AHFC, FHA, VA, or RD programs. For more information, contact AHFC at 330-6100.

AHFC Supplemental Housing Development Grant Program: The Supplemental Housing Development Grant Program provides AHFC's capital funding to Regional Housing Authorities, which use the funds to supplement housing projects approved for development under the U.S. Department of Housing and Urban Development (HUD) Housing Development Programs. The funds in AHFC's program are limited to 20 percent of HUD's Total Development Cost per project and can only be used for the cost of on-site sewer and water facilities, road construction to project sites, electrical distribution facilities, and energy-efficient design features in the homes. For more information, contact AHFC at 330-8129. Regarding children with Complex Medical Conditions or the Developmental Disability waiver, contact the Division of Mental Health and Developmental Disabilities at (800) 465-4828.

AHFC Interest Rate Reduction to Low Income Borrowers (IRRLIB): Qualified low-income borrowers may receive lower interest rates on their mortgages. If a household has income over 80 percent of median, they no longer qualify for an interest rate reduction. If income is at 60 to 80 percent of median, the reduction is 0.5 percent. If income is less than 60 percent of median, the reduction is 1 percent. Rate reductions are subject to a maximum loan amount of \$180,000. AHFC funds this program through arbitrage, which is a source that is steadily decreasing. Because of arbitrage decreases, in 2001 AHFC changed the program by reducing the interest rate reductions. In FY01, \$12 million was available for IRRLIB. For more information, contact AHFC at 330-6100.

AHFC Grant Match Program: AHFC's Grant Match Program is designed to increase the amount of housing funds that flow into the state and to foster the growth of public/private partnerships. Using corporate funds, authorized by the legislature, AHFC makes it possible for housing agencies to apply for federal and other grants that require local match to be eligible or competitive for funding. (Note: Private individuals are not eligible to apply for

the Grant Match Program.) Due to recent reductions in funding authorization for this program, AHFC has had to limit the number of grant programs to which it can offer match assistance. The HUD Supportive Housing Program is one of AHFC's highest priorities for Grant Match. For more information, contact AHFC at 330-8276.

AHFC Loans to Sponsors: This program gives a loan to a sponsor, which then loans the funds to borrowers with incomes at or below 90 percent of median. AHFC loans funds to sponsors at 0 percent and the sponsor lends funds to a borrower at an approved rate (3-5 percent). The borrower may use funds for improvement, acquisition, down payment, and closing cost assistance. Grants are repaid pro rata if property is sold or transferred before 10 years. Grants are generally used in conjunction with First Time Home Buyer loans and the Interest Rate Reduction Program for Low Income Borrowers. AHFC funds this program through arbitrage, which is a source that is steadily decreasing. The maximum loan any one sponsor may obtain is \$625,000 per year. In FY01, \$2.5 million was available for Loans to Sponsors. For more information, contact AHFC at 330-6100.

AHFC Weatherization Program: The second highest cost of owning or renting a home is heating it. Through this program, eligible low-income Alaskans can lower the cost of heating their homes. AHFC grants funds to non-profit organizations and municipalities. Program operators install energy-efficient improvements in qualifying households. The improvements include storm windows, the addition of insulation, as well as heating system improvements. The weatherization provided is based on the income of the occupants of the dwelling. Renters and homeowners are eligible. For FY03, AHFC anticipates receiving \$1.4 million from federal sources and contributing \$3.2 million to improve approximately 931 homes. Adults, who are elderly, disabled, or who have children occupy the majority of these homes. For more information about AHFC programs, call 330-6100.

AHFC Mobile Home Program: Some mobile homes may be financed under AHFC's Taxable Loan, Veterans Mortgage, or First-Time Homebuyer Programs. A 15 percent down payment is required on others. The second type loan has limited terms and varies as to whether the mobile home is new or existing, is singlewide or doublewide, or is on its own lot. For more information, contact AHFC at 330-6100.

AHFC Rural Owner-Occupied Loan Program: This program provides financing for the purchase, construction, or rehabilitation of a primary residence to qualified borrowers who live in "small communities" in rural Alaska. The maximum loan term is 30 years, or the remaining economic life of the property, whichever is less. Loans made under this program are assumable by qualified borrowers. Conventional loans require a minimum down payment of 5 percent on a single-family residence and 10 percent on a duplex. For new construction built by the owner, the maximum financing is 100 percent of allowable cost, not to exceed 95 percent of appraisal (90 percent on a duplex). Single-family homes and duplexes are eligible for this program. For more information, contact AHFC at 330-6100.

AHFC Rural Enhanced Loan Program: This program's purpose is to increase homeownership for low-income borrowers in rural communities with populations of 1400 or less. The maximum income is 100 percent of median. If household income is between 80 and 100 percent of median, the interest rate reduction is 1 percent. If it is less than 80 percent of median, the interest rate reduction is 2 percent. Rate reductions are subject to a maximum loan amount of \$200,000. A loan amount exceeding \$200,000 will receive a

blended interest rate. This program is funded through arbitrage, which is a source that is steadily decreasing. Because of arbitrage decreases, in 2001 AHFC changed the program by reducing the interest rate reductions. In FY01, \$1 million was available for this program. For more information, contact AHFC at 330-6100.

Rural Long-Term Care Development: The state Division Senior Services has time-limited funding from the Alaska Mental Health Trust and Robert Wood Johnson Foundation to help develop assisted living for seniors through partnerships with public and private funding agencies. Staff from the Alaska Department of Administration's Division of Senior Services can provide training and technical assistance to individuals, non-profit organizations, or other community groups. For more information, contact the State Division Senior Services at 269-3663 or toll free 800-478-9996.

Division of Mental Health and Developmental Disabilities Housing Coordinator: The state Division of Mental Health & Developmental Disabilities (DMHDD) helps develop housing for Alaskans with mental illness or developmental disabilities through partnerships with public and private funding agencies. The DMHDD also links service providers with technical assistance and resource information on developing housing services. For more information, contact DMHDD at 269-3600.

Grants to Regional Native Health Corporations: The State of Alaska awards grants to support a wide array of health and social service programs for the populations served by the Native Health Corporations. In FY02, approximately \$10 million was awarded to Maniilaq Association, Norton Sound Health Corporation, Southeast Alaska Regional Health Consortium, Tanana Chiefs Conference & Council of Athabascan Tribal Governments, and Yukon-Kuskokwim Health Corporation.

Human Services Community Matching Grants: The purpose of this State of Alaska program is to aid communities to provide essential human services to persons in need. Currently, the only two communities that receive these funds are the Municipality of Anchorage and the Fairbanks North Star Borough. Both governments turn around and award the funds competitively to local non-profits. In FY02, the state awarded \$1,304,844 to Anchorage and \$412,056 to Fairbanks. For more information, contact the Municipality of Anchorage at 343-6521 or the Fairbanks North Star Borough at 459-1000.

Community Developmental Disability Grants: The State of Alaska Division of Mental Health and Developmental Disabilities awards these general funds grants and passes through Mental Health Trust funding to grantees each year that can be used to assist persons with developmental disabilities. Among other services, these individuals may require transitional housing prior to a permanent placement. In FY02, approximately \$14.5 million was awarded to 25 agencies for services ranging from independent living skills to day habilitation and vocational services. For more information, contact the DMHDD at 465-3700.

Community Mental Health Grants: The Alaska Division of Mental Health and Developmental Disabilities awards grants to community mental health centers throughout the state for a wide variety of services for persons with emotional disturbances. Included on the menu of eligible activities are psychosocial rehabilitation, case management, residential, or vocational services. Community Mental Health Grants are comprised of

State, Federal and Mental Health Trust resources. For example, in FY02, DMHDD passed through \$15,160 in federal Community Mental Health Services Block Grant funds and \$11,486,800 in state General Community Mental Health and Services to the Chronically Mentally Ill program funds to community mental health centers. For more information, contact the Division at 465-3700.

DHSS Home Modification Program: The purpose of this project is to increase the accessibility of current housing so Trust beneficiaries can move into or remain in their own homes. In FY02 and FY03, AHFC and the Trust co-funded this project at \$250,000, and managed by DHSS. Home modification services are available to people wherever they reside, regardless if they own or rent and with whom they live. Typical kinds of assistance include accessibility modifications or additions (e.g. widen doorways, remodel bathrooms and/or kitchens, install entrance ramps, and add bathrooms and/or bedrooms), and related equipment. Grantees coordinate their efforts with the AHFC Weatherization Program and similar tribal and municipal programs to supply essential repairs or upgrades to building structures (e.g. heating, plumbing, and/or electrical systems, roofs, weather proofing, and energy efficiency improvements). Grantees coordinate their efforts with Assistive Technologies of Alaska for accessibility equipment, loan, and purchase assistance. They fund up to \$10,000 per modification and place restrictions on modified properties. The average cost to this program for improvements is \$7,000. In FY00, there were three brokers: Access Alaska, serving the interior and northern regions; Anchorage Neighborhood Housing Services, serving the Municipality of Anchorage; and Alaska Community Development Corporation, serving areas outside of Anchorage. During that period, these vendors modified 45 homes. For more information, contact the DHSS Division of Administrative Services, Facilities Management Section at 465-3015.

DVR Home Modification Program: AHFC provides the Department of Labor, Division of Vocational Rehabilitation with \$100,000 to modify homes of DVR clients. To learn more about DVR home modifications, call (800) 478-2815.

Local Public Resources

Local funds and programs are also available to address the Consolidated Plan's priority needs.

Municipality of Anchorage Communities Home Ownership Resource (AnCHOR) Program: The program assists low- to moderate-income families in becoming homeowners, and stabilizes targeted neighborhoods by promoting home ownership by funding a portion of down payment and closing costs. The down payment assistance funds lower the borrower's first mortgage and make the monthly payments more affordable. Down-payment assistance is in the form of a second mortgage, secured by the real property. Borrowers must meet HUD's low-income guidelines. Soft second mortgages pay up to \$25,000 for existing houses and up to \$40,000 for new construction. In PY02, the Municipality allocated \$400,000 in HUD HOME funds for the AnCHOR Program for a six-month period. To learn more, contact the Community Development Division at 343-4881.

Municipality of Anchorage Weatherization Program: The Weatherization Program improves the health and welfare of low-income Anchorage residents by upgrading their dwellings to make them more energy efficient, safe, and comfortable. Participants must meet Federal low-income criteria, and live within the Municipality of Anchorage. The Municipality gives priority status to people with disabilities, elderly, and families with children under the age of six. Participants may either own or rent the dwellings. Each dwelling is limited to one-time-only program participation. The Weatherization Program typically serves over 300 Anchorage residents yearly. This program is funded through an AHFC grant. In FY02, this grant was for \$1.4 million. For more information, contact the Municipality's Weatherization Office at 343-6630.

Municipality of Anchorage Emergency Repair Program: The Emergency Repair program provides up to \$15,000 to low- and moderate- income homeowners within the Municipality to repair items presenting a threat to health or safety in the home. Examples of eligible items include failed furnaces and water heaters, leaking roofs, or rotting floors. This program does not cover general maintenance or weatherization improvements. In FY00, the Municipality has allocated \$429,600 for the Emergency Repair Program from CDBG funds. To learn more, contact the Community Development Division at 343-4881.

Municipality of Anchorage Disabled Access Program: The Disability Access Program (DAP) provides up to \$15,000 in grants to low- to moderate-income renters and owners needing to modify a housing unit for increased accessibility. The Municipality has allocated \$214,000 in Community Development Block Grant funds for this program in PY00. To learn more, contact the Community Development Division at 343-4881.

Private Resources

Funds from private sources are also available to address the Consolidated Plan's priority needs from partners such as private lenders, nonprofit organizations, and citizens.

Federal Home Loan Bank Affordable Housing Program (AHP): The Affordable Housing Program is designed to finance housing for low and moderate- income families. The Federal Home Loan Bank System makes the funds available by setting aside a percentage of net earnings as subsidy. Federal Home Loan Banks are sources of wholesale credit and lend only to financial institutions that are member stockholders of the Federal Home Loan Bank. Nonprofits, local governments, community development corporations, individuals, and others seeking the funding should establish a relationship with a member institution. Housing developers can use the funds in a variety of ways to fund new construction, purchase and/or rehabilitation of owner-occupied and rental housing for very low-, low-, and moderate-income households. Funds are available to member institutions as below market rate loans or direct loans. Generally, recipients are required to match direct grants with an equal contribution of funds from other sources. Application deadlines are April and October each year.

Community Reinvestment Act Programs: Special programs promoted by local financial institutions designed to assist low and moderate-income buyers and/or target low and moderate-income neighborhoods.

United Way: The United Way provides funding to local social service organizations, many of which are involved in housing or supportive services.

Private Contributions: Many nonprofit organizations rely heavily on private contributions. In addition to cash, contributions may include donated labor and materials. Habitat for Humanity is one nonprofit organization that receives sponsorships that include donated labor and materials.