

FINAL

Consolidated

Annual Performance and

Evaluation Report

of the

2005 Program Year

March 31, 2006

Municipality of Anchorage
Mark P. Begich, Mayor

Prepared By:
Department of Neighborhoods

P.O. Box 196650
Anchorage, AK 99519-6650
Phone: (907) 343-4881
Email: RobinsonTP@muni.org
Web Site: <http://www.muni.org/cdbg/index.cfm>

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Mark P. Begich
Mayor

Carma E. Reed
Director, Department of Neighborhoods

Project Team:
James H. Boehm
Senior Neighborhood Planner, Department of Neighborhoods

Lynn E. Hallford
Grants Admin. Specialist, Department of Neighborhoods

Lawrence (Larry) M. Stokes
Housing Programs Specialist, Department of Neighborhoods

Tyler P. Robinson
Associate Planner, Department of Neighborhoods

Kate Arnold
Family Services Counselor, Department of Neighborhoods

Carlos A. Lertora
Junior Accountant, Department of Neighborhoods

Lorie Batac
Admin Associate, Department of Neighborhoods

Department of Neighborhoods
P.O. Box 196650
Anchorage, AK 99519-6650

Phone: (907) 343-4881
Email: RobinsonTP@muni.org
Web Site: <http://www.muni.org/cdbg/index.cfm>

Table of Contents

Part A. Introduction	iii
Part B. Narratives.....	1
1. General.....	1
1.1 Executive Summary	1
1.2 General Questions	1
1.2.1 Assessment of One-Year Goals and Objectives	1
1.2.2 Course Correction	8
1.2.3 Affirmatively Furthering Fair Housing	9
1.2.4 Addressing Obstacles to Meeting Underserved Needs	11
1.2.5 Leveraging Resources.....	12
1.3 Managing the Process	15
1.4 Public Participation	16
1.4.1 Summary of Comments.....	16
1.4.2 Public Disclosure of CDBG, HOME and ESG Funds.....	16
1.5 Institutional Structure	18
1.6 Monitoring	19
1.6.1 Monitoring Frequency and Method.....	19
1.6.2 Monitoring Results.....	20
1.6.3 Self Evaluation.....	20
1.7 Lead-based Paint.....	22
1.7.1 Alaska Division of Public Health (ADPH)	22
2. Housing Needs.....	25
2.1 Fostering and Maintaining Affordable Housing.....	25
2.2 Specific Housing Objectives	26
2.2.1 Affordable Housing Goals.....	26
2.2.2 Section 215 Affordable Housing	27
2.2.3 “Worst Case” Housing Needs.....	27
2.3 Public Housing and Resident Initiatives.....	28
2.3.1 Alaska Housing Finance Corporation	28
2.3.2 Cook Inlet Housing Authority	29
2.4 Eliminate Barriers to Affordable Housing.....	33
2.5 HOME/American Dream Downpayment Initiative (ADDI).....	35
2.5.1 Assessment of Relationship of HOME Funds to Goals and Objectives.....	35
2.5.2 HOME Match Report	35
2.5.3 HOME MBE and WBE Report	37
2.5.4 Assessments	37
3. Homeless	41
3.1 Homeless Needs.....	41
3.1.1 Actions Taken to Address the Needs of the Homeless	41
3.1.2 Permanent and Independent Living for the Homeless	41
3.1.3 New Federal Resources through 2005 SuperNOFA.....	42
3.1.4 Specific Homeless Prevention Elements.....	42
3.2 Emergency Shelter Grants (ESG)	43
3.2.1 Actions Taken for Emergency and Transitional Housing	43
3.2.2 Homeless Prevention and Persons Served.....	44
3.2.3 Matching Resources	44
3.2.4 State Method of Distribution	44
3.2.5 Activity and Beneficiary Data	45

4. Community Development	47
4.1 Community Development Block Grant Program	47
4.1.1 Goals and Objectives	47
4.1.2 Changes in Program Objectives	47
4.1.3 Assessment of Efforts in Carrying out Planned Actions	48
4.1.4 For Funds Not Used for National Objectives	49
4.1.5 Anti-Displacement and Relocation	49
4.1.6 Low/Mod Job Activities	50
4.1.7 Low/Mod Limited Clientele Activities	50
4.1.8 CDBG Program Income Received	51
4.1.9 Prior Period Adjustments	53
4.1.10 Loans and Other Receivables	53
4.1.11 Lump Sum Agreements	54
4.1.12 Housing Rehabilitation	54
4.1.13 Mountain View Neighborhood Revitalization Strategy	55
4.2 Anti-Poverty Strategy	55
5. Non-Homeless Special Needs	57
5.1 Non-Homeless Special Needs	57
5.2 Housing Opportunities for Persons with AIDS (HOPWA)	57
6. Other Narrative	59

Part F. Appendices

- 1. Public Notices, Public Hearings and Public Comments**
- 2. Sources of Funds Detail Table**
- 3. HOME Match Report**
- 4. HOME MBE and WBE Report (form HUD-40107)**
- 5. Ten Year Plan on Homelessness January 2006 Status Report**
- 6. Mountain View Neighborhood Revitalization Strategy Status Table**
- 7. IDIS Reports**
 - Grantee Performance Report (IDIS C04 PR03)
 - Summary of Consolidated Plan Projects (IDIS C04 PR06)
 - Summary of Accomplishments Report (IDIS PR23)
 - Financial Summary Report (IDIS C04 PR26)
- 8. Maps**

Part A. Introduction

The Consolidated Annual Performance and Evaluation Report (CAPER) for 2005 is the third annual performance report describing the actions and funding to carry out the 2003-2007 Consolidated Housing and Community Development Plan (Consolidated Plan) for Anchorage. This report describes the progress made during the 2005 Program Year—from January 1, 2005 through December 31, 2005—toward attaining the Municipality's housing and community development goals. It provides the community of Anchorage an opportunity to report activities and accomplishments in the 2005 program year.

A Consolidated Plan establishes a framework of housing and community development priorities for Anchorage, and identifies projects and programs to help local communities solve their problems, meet their needs, and achieve their goals. It is a plan that articulates and includes the vision of the citizens as well as its elected officials, agency providers and all other stakeholders. The plan is submitted to the Department of Housing and Urban Development for final approval.

Comments were requested to be submitted on or before March 28, 2006 to:

Mail: Municipality of Anchorage
Department of Neighborhoods
P.O. Box 196650
Anchorage, Alaska 99519

In Person: Department of Neighborhoods
Room 630, City Hall
632 W. 6th Avenue
Anchorage, Alaska
M-F, 8am-noon, 1pm-5pm

Public Hearing: Mayor's Conference Room 8th Floor
632 W. 6th Ave, March 22, beginning @ 4pm

Email: RobinsonTP@muni.org

Phone: (907) 343-4881

Fax: (907) 343-631

NOTICE OF PUBLIC HEARING

Municipality of Anchorage

**DRAFT Housing and Community Development:
2005 Consolidated Annual Performance and
Evaluation Report**

The 2005 Consolidated Annual Performance and Evaluation Report (2005 CAPER) reports on housing and community development activities and accomplishments from January 1, 2005 to December 31, 2005, with a focus on activities funded by the US Department of Housing and Urban Development through the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Shelter Grant (ESG) funding programs. The draft 2005 CAPER will be available for public review on March 13, 2006, and public comment on it will be taken through March 28, 2006.

The public may submit comments in person at a public meeting on March 22 at 4:00pm at 632 W 6th Ave (City Hall) in the 8th Floor Mayor's Conference Room.

Written comments may be submitted through March 28, 2006 to:

Mailing Address: Department of Neighborhoods, PO Box 196650, Anchorage, AK 99519-6650.

Physical Address: City Hall, 632 W. 6th Ave., Room 630

Fax number: 907-343-6831

E-mail: RobinsonTP@muni.org.

Hard copies of the Draft 2005 CAPER or copies on a CD may be picked up in person, requested by phone, or by e-mail. The report will also be available at www.muni.org/cdbg. If you have any questions or need more information, call Tyler Robinson at 907-343-4226.

Any member of the public who is in need of special accommodations is asked to call Lorie Batac at 343-4881.



Part B. Narratives

In this section, the Consolidated Annual Performance and Evaluation Report (CAPER) includes narrative responses to CAPER questions that communities (“Participating Jurisdictions”, or “Entitlement Communities”) receiving Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), American Dream Downpayment Initiative (ADDI), and Emergency Shelter Grant (ESG) must respond to annually in order to maintain compliance with applicable federal regulations.

1. General

1.1 Executive Summary

The Executive Summary is optional. Please see Section 1.2.1 for an overall summary of 2005 goals and objectives.

1.2 General Questions

1.2.1 Assessment of One-Year Goals and Objectives

- a. Describe the accomplishments in attaining the goals and objectives for the reporting period.*
- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.*
- c. If applicable, explain why progress was not made towards meeting the goals and objectives.*

Table 1.2.1 presents a summary of Consolidated Plan goals, strategies and objectives with 2005 accomplishments and commitments anticipated in the 2005 Action Plan compared to actual expenditures and accomplishments in this 2005 CAPER. This table includes only formula-funded programs: CDBG, ESG and HOME (including ADDI) and the Municipality’s Section 108 Loan Guarantee Program (Section 108) and Brownfields Economic Development Initiative (BEDI) funds. More details are included in the reports generated by HUD’s Integrated Disbursement and Information System (IDIS) included in Appendix 7.

Table 1.2.1 Goals, Strategies, and Objectives Matrix

National Consolidated Plan Goals	Consolidated Plan 5-Year Strategy	Objectives	Year 2005 Proposed Budgets and Expenditures		Year 2005 Accomplishments	
			Proposed Budgets	Expenditures	Proposed	Actual
Provide Affordable Housing Opportunity	Increase and preserve affordable homeownership opportunities, particularly for low- and moderate-income persons.	AH-1 Provide nonprofit organizations with funds to help low- to moderate-income households purchase a home.	CDBG-2.A. Affordable Homeownership (\$60,000) HOME-2. AnCHOR (\$523,019) HOME-5. HARP (\$200,000) HOME-6. Anchorage Housing Initiatives (\$300,000)	\$660,851 \$175,414	Proposed CDBG-2.A. (hsg. units): 3 HOME-2. (hsg. units): 22 HOME-6. (hsg. units): 2 HOME-7. (hsg. units): 2	Actual 0 28 0 0
		AH-2 Help low-income homeowners remain in their homes by providing funding for emergency repairs.	CDBG-2.B. Minor Rehabilitation Program (\$1,040,000)	\$529,746	Proposed CDBG-2.B. (hsg. units): 70	Actual 28 (21 underway)
		AH-3 Help low-income households remain in their homes by providing housing rehabilitation funding.	CDBG-2.B. Minor Rehabilitation Program (\$1,040,000) HOME-3. Homeowner Rehabilitation (\$650,000)	\$529,746	Proposed CDBG-2B. (hsg. units): 70 HOME-3. (hsg. units): 22	Actual 28 (21 underway) 0
		AH-4 Help lower income households afford rental housing.	CDBG-2.C. Rental Rehabilitation (\$400,000) HOME-4. Housing Development/GOAL (\$1,616,036)		Proposed CDBG-2.C. (hsg. units): 20 HOME-4. (hsg. units): 42	Actual 0 0
	Expand and preserve affordable rental opportunities, particularly for low-income persons.	AH-5 Provide assistance to lower income households with special needs to modify their home for increased accessibility.	CDBG-2.B. Minor Rehabilitation Program (\$1,040,000) HOME-3. Homeowner Rehabilitation (\$650,000)	\$529,746	Proposed CDBG-2.B. (hsg. units): 70 HOME-3. (hsg. units): 22	Actual 28 (21 underway) 0

National Consolidated Plan Goals	Consolidated Plan 5-Year Strategy	Objectives	Year 2005 Proposed Budgets and Expenditures		Year 2005 Accomplishments	
			Proposed Budgets	Expenditures	Proposed	Actual
	Strengthen the safety net of housing and services for persons with special needs	AH-6 Link housing with supportive services for the homelessness or special needs households with lower incomes.	CDBG-3.B Salvation Army McKinnell (in 2006) CDBG-3.C Clare House Renovation (\$103,479) CDBG-3.D Crisis Center Renovation (\$376,708) HOME-4. Housing Development/GOAL (\$1,616,036)	N/A \$46,028	Proposed CDBG-3.B. (fam units):n/a CDBG-3.C. (beds): n/a CDBG-3.D. (beds): 40 HOME-4. (hsg.units): 42	Actual 0 (47 underway)
		PS-2. Provide support to low and moderate income families and children	CDBG-3.B Salvation Army McKinnell (2006) CDBG-5.A. St. Francis (\$53,802)	\$53,802	Proposed CDBG-3.B. (fam units):n/a CDBG-5.A (families):5050	Actual 3814
	Continuum of Care approach to reduce the frequency and duration of homelessness.	HP-1 Fund activities to prevent homelessness.	ESG-1. Homeless Prevention (\$25,072)	\$25,072	Proposed ESG-1. (people): 100	Actual 202
		HP-2 Fund supportive services to help the homeless secure permanent housing and maintain independent living.	ESG-2. Essential Services (\$25,072)	\$25,072	Proposed ESG-2. (people): 100	Actual 123
		HP-3 Help emergency shelters for the homeless with maintenance and operations.	ESG-3. Maintenance and Operations (\$79,250)	0 (combined with '06)	Proposed ESG-3. (organizations): 2	Actual 0

National Consolidated Plan Goals	Consolidated Plan 5-Year Strategy	Objectives	Year 2005 Proposed Budgets and Expenditures		Year 2005 Accomplishments	
			Proposed Budgets	Expenditures	Proposed	Actual
Provide a Suitable Living Environment	Strengthen the safety net of housing and services for persons with special needs	PS-1 Support victims of domestic violence and/or sexual abuse.	CDBG-5.C. Children At-Risk Project (\$95,755) CDBG-5.F. Child Advocate Program (\$44,647)	\$130,431 \$44,520	Proposed CDBG-5.C (people): 310 CDBG-5.F (people): 720	Actual 1489 507
		PS-2 Provide support to low and moderate income families and children	CDBG-5.B. Senior Vision Assessment (\$4,259) CDBG-2.B. Minor Rehabilitation Program (\$1,040,000) CDBG-3.G. Special Olympics Alaska (\$68,135) CDBG-3.E. Parks Rejuvenation (\$40,908)	\$6,462 \$529,746 \$34,000 \$8,091	Proposed CDBG-5.B. (people): 24 CDBG-2.B. (hsg. units): 70 CDBG-3.B (orgs.): 1 CDBG-3.E (pub. fac.): 6 Total:	Actual 21 28 1 7 parks
	Promote livable communities and neighborhood redevelopment.	SLE-1 Eliminate slums and blight in municipality neighborhoods.	CDBG-4.A. & 4.B. Elimination of Slum and Blight (\$291,081)	\$118,609	Proposed 4.A. (junk cars): 20 4.B. (spot blight clean-ups): 7	Actual 167
		SLE-2 Promote neighborhood planning.	CDBG-1. Neighborhood Plan for Mountain View (\$60,000)		Proposed CDBG-1. (neighborhoods): 1	Actual 0 (1 underway)
		PS-2 Provide support to low and moderate income families and children	CDBG-3.C. Mountain View Revitalization (\$611,942) CDBG-3.E. Parks Rejuvenation (\$40,908)	\$740,000 \$8,091	Proposed CDBG-3.C. (jobs): 13 CDBG-3.E (pub. fac.): 6	Actual 1.75 _____
Provide Expanded Economic Opportunity	Use CDBG funds to leverage other funding sources and sponsor economically viable projects with large public benefits	AH-7 Use Section 108 Guaranteed Loan Funds to Leverage Development Activities	S108-1. Sadler Warehouse (formerly Randy Smith Center) (\$2,800,000) S108-2. Mt. View Commercial Revitalization Lending Program (\$3,200,000)	\$2,800,000	Proposed S108-1. (jobs): 56 S108-2. (jobs): (in 2006)	Actual 0 (loan closed 9/05)

National Consolidated Plan Goals	Consolidated Plan 5-Year Strategy	Objectives	Year 2005 Proposed Budgets and Expenditures		Year 2005 Accomplishments	
			Proposed Budgets	Expenditures	Proposed	Actual
	Enhance job training and employment opportunities for low- to moderate-income persons	PS-3 Fund programs and services that support job training and employment of lower income people.	CDBG-5.d. Multi-Sensory Instruction of Illiterate Adults (\$86,388) CDBG-5.e. Job Development Program (\$58,499) CDBG-3. c. Mountain View Revitalization (\$611,942)	\$102,628 \$71,763 \$740,000	Proposed CDBG-5.d. (people): 82 CDBG-5.f. (people): 733 CDBG-3c. (jobs): 13	Actual 332 2661 1.75

The 2005 program year marked significant progress across a number of consolidated plan goals and objectives.

In the area of economic and community development, a number of accomplishments were achieved in one of Anchorage's lowest income communities, Mountain View. Following strategies established in the Mountain View Neighborhood Revitalization Strategy, the Mountain View Neighborhood Planning process was begun, and will be completed in the summer of 2006. The planning process is a community-wide effort that brings together residents, business owners, and service providers to provide direction for revitalization efforts in Mountain View. The Mountain View Historic Survey, funded by CDBG funds, was completed in 2005 and provides guidance to historic preservation; it will also expedite redevelopment by confirming what homes and properties are *not* considered historic. A one-block demonstration of the Mountain View Drive street revitalization project was completed in 2005; the renewed streetscape and available funds for façade improvement provides incentives for increased commercial investments along Mountain View Drive.

Following an amendment to the 2005 Action Plan, \$740,000 of CDBG funds (including \$240,000 in the form of a loan) were utilized to purchase the "Mobile Trailer Supply" building in Mountain View to house a multi-disciplinary arts production center and supporting business activities. The purchase of the building realizes a long-stated goal of Mountain View planning to create arts and culture related "anchors" in the community; the building is also being actively used by the neighborhood as the neighborhood planning "nerve center." The owner of the Mobile Trailer Supply, the Anchorage Community Land Trust, is also the owner and developer of the Municipality's first Section 108/BEDI project, the Sadler Warehouse. The ACLT is pursuing tenants who specialize in small business and technology development. These projects, along with a retail mall development, will provide job opportunities locally in Mountain View, while also bringing employees to an area of Anchorage that has recently been avoided by all but local residents.

In addition to these economic development efforts, Cook Inlet Housing Authority (CIHA) made substantial progress on its Mountain View Village project in 2005. Phase II of this project, which when finished will consist of 47 affordable housing units on 27 scattered sites in Mountain View, includes just under \$1.2 million in HOME funds. Made possible through the Greater Opportunities for Affordable Living (GOAL) program, the project is mostly completed; CIHA will be submitting completion documentation to the Department of Neighborhoods (DoN) in the first half of 2006.

Other new programs showed evidence of promise in 2005. Anchorage Neighborhood Housing Services (ANHS) completed the first housing unit

under the Housing Acquisition and Rehab Program (HARP) though had not fully closed on the sale of the home by the end of the program year. ANHS is also working with Anchorage Housing Initiatives (AHI) to produce an accessible home for purchase by low- to moderate-income buyers. While these projects were not completed by December 31, 2005, they are well underway and expect to see completion in 2006. For the first time CHDO operating expenses were provided to both AHI and Shiloh Community Development, a critical step in building more capacity in Anchorage's non-profit housing development community. Through a partnership between the Municipality of Anchorage, Alaska Housing Finance Corporation (AHFC) and HUD, Shiloh also received direct technical assistance from the Foraker Group on business and strategic planning.

In 2005, the municipal Weatherization program was moved from the Health and Human Services Department to the Department of Neighborhoods (DoN). The move proved to be initially challenging to both DoN and Weatherization staff; staff turnover began to stabilize by the end of the year. In addition to Weatherization projects, the staff completed 15 minor repair projects in 2005, for a total of 28 minor repair projects completed by both ANHS and DoN. While this number falls short of the initial goal, DoN staff has 21 minor repair projects that were started in 2005 and is well-positioned to increase the number of completed projects during the next program year. Lessons learned will contribute to "course corrections" begun through the 2006 Action Plan.

DoN made an initial step to a new form of affordable housing in Anchorage when the department was awarded an Innovations in Manufactured Housing (I'M HOME) catalyst grant from the Corporation for Enterprise Development. Manufactured homes in "trailer parks" are a significant form of market rate affordable housing in Anchorage. Yet, substandard and aging infrastructure and rising land prices mean that park owners have a tremendous incentive to convert parks to other uses or to sell to developers. The I'M HOME grant has provided some initial funding for DoN, and working with the Housing and Neighborhood Development (HAND) Commission the department plans to pursue a pilot program to create a long-term and affordable manufactured housing park in Anchorage that will provide more stability for low- and moderate-income manufactured home owners and renters. The 2006 Action Plan has proposed setting \$500,000 of HOME funds towards improving manufactured housing in Anchorage. The HAND Commission input and I'M HOME grant research has also led to the likelihood that additional CDBG funds will be considered in an amendment to the 2006 Action Plan.

The Oversight Subcommittee on Homelessness was created by Municipal Ordinance, and the Ten Year Plan on Homelessness was officially adopted by the Assembly. A number of 2005 funded programs provided services to hundreds of low- and moderate-income families, at-risk populations, and

homeless individuals. In addition to these well-performing local organizations (Table 1.2.1), following the devastation of Hurricane Katrina, local officials reported that more than 100 families from the Gulf Coast had relocated to Anchorage. DoN passed an amendment to the 2005 Action Plan to allocate \$30,000 of previously unappropriated program income to support a case manager to assist Katrina-displaced individuals in acquiring housing, services, and employment.

DoN also worked with subrecipients to evaluate performance and recommend course corrections. Through this effort, at the end of 2005, Na Qenq'a Community Development Financing, Inc., a subsidiary of CIHA, cancelled its participation in the rental rehabilitation program because there were no landlords interested in participating in the program. These funds will be reallocated through an amendment to the 2006 Action Plan. DoN also worked with CIHA to submit completion reports in its Homeowner Rehabilitation and Mountain View Village II projects, both of which were very active during the year. However, reports were not submitted until early 2006 therefore are not reported in this CAPER. Similar delays in completion information has challenged the HARP and AHL's homeowner demonstration program. This pattern has led DoN to consider a change in reporting requirements during the 2006 program year to include regular billings on a quarterly basis, based on expenditures, regardless of whether projects are complete.

1.2.2 Course Correction

Describe the manner in which the recipient would change its program as a result of its experiences.

Programmatic changes proposed as a result of 2005 performance include:

- Cancellation of the Rental Rehabilitation program; loan terms and Anchorage market have thus far not been successful in attracting landlords needing to improve rental property.
- Target Minor Repair program to strengths and community need, which especially include roof work on manufactured housing. After several efforts to get a private contractor to perform this work over the past several years, in-house staff completed six roofs over the summer. 2006 will focus on roof work projects.
- Pursue location where the housing rehabilitation activities and planning/administration functions of the Department of Neighborhoods may be co-located. The divided work place has added challenges to day to day operations that would be alleviated if all functions are consolidated to a single location.

- Pursue VISTA Volunteer position to improve communications with the public, most notably in making regular updates to our website.
- Impose production quotas in the Minor Repair program. Work with both administrators on better coordination of programs to reduce waiting lists and build on strengths.
- Pro-active monitoring of subrecipients was successful in 2005 in identifying weaknesses and building on strengths. This will continue in 2006. In addition, reporting requirements of grant agreements will be reviewed again to consider adding quarterly billing requirements, and to incorporate additional information to meet HUD's new performance measurements.
- Pursue diversification of (grant) funding sources as HUD programs are increasingly threatened at the federal level.
- Support the capacity building of grantees and potential grantees to improve the abilities of our community partners.

1.2.3 Affirmatively Furthering Fair Housing

- a. Provide a summary of impediments to fair housing choice.*
- b. Identify actions taken to overcome effects of impediments identified.*

During 2005, DoN worked with the Anchorage Equal Rights Commission (AERC) and the Americans with Disabilities Act Commission to identify and articulate impediments that exist in Anchorage to fair housing choice. Nine impediments were published in draft form during 2005, and a final listing is included as an appendix to the 2006 Action Plan. While Specific actions to address these impediments will be identified during the 2006 program year, certain actions taken during the 2005 program year addressed these impediments, and are briefly discussed below.

1) A shortage of affordable housing

CDBG, HOME and ESG programs continue to focus on affordable housing, and increasingly promote new affordable housing unit production. The Ten Year Plan on Homelessness also identified affordable housing as a major issue in Anchorage. Affordable housing activities are discussed elsewhere in this report.

2) A shortage of accessible housing

Accessible housing continues to be a challenge to those who need it, and to developers asked to build it. As affordable housing becomes a greater challenge, two-story and townhouse style homes are increasingly favored by the market and developers. These homes are generally not accessible to wheelchairs, however. Anchorage Housing Initiatives has struggled with the cost of developing fully accessible single family homes through the HOME-

funded Homeownership Demonstration project, in part due to the cost of construction a wheel-chair accessible home.

3) Zoning

A revision to the Municipality of Anchorage's Assisted Living ordinance was submitted during the program year, but not approved by the Assembly. The ordinance was developed by a working group of Municipal staff, lawyers and representatives of the assisted living industry. Transitional Housing was not specifically addressed by this ordinance but it was acknowledged that zoning and policy with regards to transitional housing will need to be addressed as well.

4) Lending

The Anchorage Predatory Lending Task Force was successful in bringing Freddie Mac's "Don't Borrow Trouble" campaign to Anchorage to help define and prevent and reduce predatory lending. The campaign includes defining what is unacceptable as far as predatory lending methods, and educating homeowners on how to avoid becoming the victim of predatory lending activity. Anchorage Neighborhood Housing Services, HUD, and local lending institutions, have been involved in this project.

5) Fair Housing Education

The Anchorage Equal Rights Commission started planning for a Fair Housing Fair to be held in the spring of 2006. In addition, the "Don't Borrow Trouble" campaign began in Anchorage (see #4.)

6) Limited English Proficiency

Increasingly, clients seeking services housing assistance have limited English proficiency. In December of 2005, the Department of Neighborhoods created a Senior Family Services position to focus on the intake process of housing programs run by the Department of Neighborhoods. The person filling this position will also be responsible for developing a policy and strategies to assist clients with limited English proficiency better access our services, and work with subrecipients to ensure their process are also increasing access.

7) Complaint and Enforcement Process

HUD took a major step toward improving the complaint and enforcement process in Alaska by bringing a Fair Housing compliance officer to Anchorage. Previously all federal complaints were handled through the Seattle HUD office.

8) Other (sexual orientation)

While not a protected class under state or local fair housing laws, the Analysis of Impediments acknowledged that sexual orientation may be the basis for unfair discrimination in Anchorage. No specific activities under this category were accomplished other than identifying this as an impediment.

9) Service Animals

No specific activities were undertaken with regards to service animals during the program year.

1.2.4 Addressing Obstacles to Meeting Underserved Needs

Describe other actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

One of the largest barriers to meeting underserved needs continues to be limited funding, and a lack of local expertise to either access or implement projects with existing programs. In 2005, HUD approved the Municipality's first Section 108 loan application to bring \$5,000,000 of loan guarantees, coupled with \$2,000,000 in Brownfields Economic Development Initiative grants to greatly expand its ability to serve Mountain View, the lowest income neighborhood in Anchorage. Along with the first ever use of New Market Tax Credits, this resource provided funding for commercial development and job creation in Mountain View.

In addition to these new funds, the Municipality continues to administer the CDBG and HOME funds, dedicated to households of lesser resources. These families' needs for energy efficient, safe and accessible housing are disproportionately harder to fulfill without assistance due to limited family resources or savings. The wide variety of housing programs discussed in the CDBG and HOME sections address not only the financial barrier to housing needs, but also sometimes help with the logistics of, for example, working with a contractor to repair a leaky roof, or wading through the homebuyer process for the first time.

Also critical to addressing underserved needs is being able to identify what these needs are quickly. The Ten-Year Plan on Homelessness, developed in 2004 by the Mayor's Task Force on Homelessness, called for a number of actions to address services and housing needs of underserved populations. Members of the Oversight Committee on Homelessness have two permanent seats on the Municipality's Housing and Neighborhood Development (HAND) Commission, thereby ensuring that underserved needs have a place at the community development table. In January of 2006, DoN held a reunion of the Mayor's Task Force on Homelessness and presented an account of completed actions from the 10-Year plan. The summary table is included in Appendix 5.

1.2.5 Leveraging Resources

a) Other Public and Private Resources

Table 1.2.5 catalogs funding resources that have been made available during the 2005 program year. For detailed information on what these totals include, see the Sources of Funds Detail Tables in Appendix 2.

Table 1.2.5. Funding Sources: 2005 CAPER

Funding Source and Funding Program	Summary Amount	Housing Units or Beds**
<u>Total all funding sources identified:</u>	<u>\$267,280,136</u>	
<u>State</u>	<u>\$230,461,452</u>	
<u>State of Alaska/Alaska Housing Finance Corporation</u>	<u>subtotal:</u>	
AHFC Grant Programs	\$3,960,190	188
Mortgage Programs	\$225,778,281	303
<u>State of Alaska/Department of Health and Social Services</u>	<u>subtotal:</u>	
DHSS Special Needs Housing Grant Operating Subsidy	\$0	11
Human Services Matching Grant - DHSS	\$552,981	0
<u>State of Alaska/Mental Health Trust Authority*</u>	<u>subtotal:</u>	
Misc. Grants	\$70,000	16
<u>State of Alaska/SOA/Division of Behavioral Health*</u>	<u>subtotal:</u>	
DMHDD	\$100,000	0
<u>Federal</u>	<u>\$30,078,102</u>	
<u>Department of Energy</u>	<u>subtotal:</u>	
DoE Weatherization	\$353,244	167
<u>Internal Revenue Service</u>	<u>subtotal:</u>	
Low Income Housing Tax Credits	\$179,000	47
<u>US Department of Health and Human Services*</u>	<u>subtotal:</u>	
Projects for Assistance in Transition from Homelessness (PATH)	\$288,000	0
<u>US Department of Health and Human Services/Health Resources and Services Administration/Bureau of HIV/AIDS</u>	<u>subtotal:</u>	
Ryan White Title III(b)	\$169,471	0
<u>US Department of Health and Human Services/Health Resources and Services Administration/Bureau of Primary Care</u>	<u>subtotal:</u>	
Community Health Center	\$577,677	0
<u>US Department of Housing and Urban Development/Community Planning and Development</u>	<u>subtotal:</u>	
American Dream Downpayment Initiative	\$138,897	16
Brownfields Economic Development Initiative	\$800,000	0
CDBG Program Income (available current year)	\$0	0
Community Development Block Grant (current year funds or expenditures)	\$2,430,562	0
Community Development Block Grant (prior year funds-see current year for CAPER exp)	\$0	0
Continuum of Care	\$2,954,741	0
Emergency Shelter Grants (current year funds)	\$61,251	0
HOME Investment Partnership Program (prior year funds-see current year for CAPER)	\$0	35
HOME Investment Partnerships Program (current year funds and expenditures for CAPER)	\$876,306	49
Housing for Persons with AIDS	\$762,544	0
Section 108 Loan Guarantee Program	\$2,000,000	0
<u>US Department of Housing and Urban Development/Federal Housing Admin.</u>	<u>subtotal:</u>	
Project Based Section 8	\$1,040,767	10
Section 202 Elderly Housing		0
Section 811 Housing for the Disabled	\$46,500	0
<u>US Department of Housing and Urban Development/Public and Indian Housing</u>	<u>subtotal:</u>	
Public Housing Competitive Grants	\$7,738	0
Public Housing Operating Subsidy	\$3,302,385	0
Section 8 Certificates and Housing	\$14,059,844	0
<u>Violence Against Women Act</u>	<u>subtotal:</u>	
VAWA Transitional Housing Grant Program	\$29,175	0
<u>Private Not For Profit</u>	<u>\$5,759,700</u>	
<u>Anchorage Community Mental Health Services, Inc.</u>	<u>subtotal:</u>	
Match Resources	\$204,580	0
<u>M.J. Murdoch Charitable Trust</u>	<u>subtotal:</u>	
	\$100,000	

Funding Source and Funding Program	Summary Amount	Housing Units or Beds**
Murdoch Grants	\$100,000	0
<u>Paul G. Allen Charitable Foundation</u>	<u>subtotal:</u> \$50,000	
Allen Grants	\$50,000	0
<u>Run for Women</u>	<u>subtotal:</u> \$2,500	
Run for Women	\$2,500	0
<u>United Way of Anchorage</u>	<u>subtotal:</u> \$5,402,620	
United Way Agency Funding	\$5,402,620	0
<u>Private For Profit</u>	<u>\$338,000</u>	
<u>Northrim Bank</u>	<u>subtotal:</u>	
Grants - Organizations Serving Low & Mod Income Residents		0
<u>Rasmuson Foundation*</u>	<u>subtotal:</u> \$338,000	
Rasmuson Grants	\$338,000	0
<u>Private - unspecified</u>	<u>\$642,881</u>	
<u>Various Private*</u>	<u>subtotal:</u> \$642,881	
Donations	\$642,881	0

*Additional resources likely available, database is updated on an on-going basis

**This represents new units only. Where units are assisted by multiple funding sources, they may appear more than once in this table. See Appendix 2 for a detailed listing of units counted.

b) How HUD Funds Leveraged Resources

The Municipality leverages HUD funds with private and public funds for housing and community development activities in Anchorage.

- The AnCHOR program leveraged significant private sector funds during the 2005 program year. The Municipality awarded 28 AnCHOR loans to low-income homebuyers, totaling \$630,851 and leveraged \$2,748,397 in first-mortgage loans.
- The Municipality's first Section 108 loan guarantee, to purchase and renovate the Sadler's Warehouse, was approved by HUD in September of 2005. This \$2,000,000 loan was coupled with an \$800,000 grant and was closed in October of 2005 to renovate the Sadlers Warehouse. Complete renovations are expected in 2006. This project will leverage more than \$5.8 million in private investments, including equity generated through New Markets Tax Credit.
- Anchorage Community Land Trust (ACLT) leveraged a \$500,000 CDBG grant and a \$240,000 CDBG loan with approximately \$264,396 in its own equity to purchase the Mobile Trailer Supply building to be used as an arts and neighborhood center, and job creation in Mountain View.
- Anchorage Historic Properties, Inc. completed a historic survey of the neighborhood of Mountain View, which leveraged \$15,000 from the State Historic Preservation Officer with \$40,000 in CDBG funds from DoN.
- The Municipality strengthened its ability to leverage CDBG funds with the Weatherization Program when it transferred the Weatherization program to the Department of Neighborhoods in April of 2005. The

Weatherization Program brings approximately \$1,000,000 in state and federal funds, as well as programmatic expertise in weatherization and rehabilitation activities for low income households.

- In the fall of 2005, the Municipality of Anchorage, DoN, received a \$10,000 capacity building grant from the Innovations in Manufactured Housing (I'M HOME) program. This grant will be leveraged with CDBG funds and provide the foundation for an additional grant request to promote an affordable manufactured housing community in 2006.
- CIHA, the subrecipient administering the HOME-funded Homeowner Rehabilitation Program (HRP), completed six HRP projects during the 2005 program year. Twenty percent of each project was financed with AHFC Supplemental Housing Development Grant Program funds, which resulted in a twenty-five percent match of HOME funds. These funds are reported in the match log. The 6 loans were comprised of \$192,283.45 of HOME funds, leveraging (match) \$49,644.11 of Supplemental Housing Development Grant Program funds.
- Anchorage Neighborhood Housing Services continued to work with AHFC to leverage AnCHOR loans with AHFC's Homebuyer Section 8 pilot program. This program is designed to leverage private loans with AnCHOR loans by allowing Section 8 housing vouchers to pay a portion of the homebuyer's mortgage.
- ANHS, the subrecipient administering the HOME-funded Housing Acquisition and Rehabilitation Program (HARP), undertook one HARP projects during the 2005 program year. Twenty-five percent of the project was financed with ANHS's funds. However, the calculation of these funds is incomplete as of this writing. ANHS is reporting only the first \$2,455 of its expenditures. The Municipality anticipates an update to this figure as it updates its match log to fully count this leverage/match source.
- AHFC continues to leverage millions in state and federal funding in Anchorage for housing purposes. The table in this section itemizes these leveraged contributions.
- The Municipality of Anchorage maintains a Memorandum of Understanding with AHFC to dedicate AnCHOR loans to participants in AHFC's Housing Choice Voucher Homeownership Program (HCVHP). This program is designed to leverage private loans with AnCHOR loans by allowing HUD Housing Choice Vouchers (Section 8) to pay a portion of the homebuyer's mortgage. During the 2005 program year, five of these loans closed with one in combination with Alaska Mental Health Trust Authority (AMHTA). HOME loans associated with the HCVHP amounted to \$135,000. Leverage (two loans occurring during FFY 2005 and counted as match) funds were comprised of HomeStart funds from the Federal Home Loan Bank of Seattle, amounting to \$25,000. AMHTA funding is listed below.

- The Municipality of Anchorage has an agreement with the Alaska Mental Health Trust Authority for \$50,000 in state funds to leverage AnCHOR loan funds. Loans utilizing these funds are to AMHTA beneficiaries. The Municipality made two AnCHOR loans that were combined with AMHTA funds: \$10,000 each. Of the two, one was made during FFY 2005 and is included in the match log. The loans were comprised of \$24,000 of HOME funds, \$20,000 of AMHTA funds, and \$5,000 of HomeStart funds as described above.
- The Municipality pledged \$955,000 in future year funding (PY2006) to the Salvation Army for its multi-million dollar McKinnell family shelter and Safe Center. Other funds leveraged will include private donations, national Salvation Army contributions and other grant funds.

c) Matching Requirements

Matching requirements of the HOME, ADDI and ESG programs are discussed in those program's narratives. There are no other matching requirements for the entitlement funds covered by this CAPER.

1.3 Managing the Process

Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

The Municipality of Anchorage followed the approved Citizen Participation Plan in proposing and approving activities for funding through ESG, HOME, CDBG, Section 108 and BEDI-funded activities. Three substantial amendments to the Consolidated Plan were made during the program year, all of which are available from the DoN office upon request.

- Amendment 1, Mountain View Arts and Cultural District Building, moved funding from the Wilhour Trust site to an alternate location along Mountain View Drive to acquire a facility to be used for arts-related activities, businesses, and education outreach in the Mountain View community.
- Amendment 2 reprogrammed CDBG funds from the Mountain View Arts and Cultural District – Arts Anchors and Commercial Development activity to a façade improvement program aimed at funding design improvements for businesses contributing to the revitalization of deteriorated areas in Mountain View.
- Amendment 3 allocated previously unallocated CDBG funds to provide case management and emergency assistance services to victims of the Hurricanes Katrina and Rita of 2005 who relocated to the Municipality of Anchorage and who are currently without a permanent home.

Additional funding amendments were made to both CDBG and HOME programs that were not substantial according to the Citizen Participation Plan. All funding amendments are identified in the CDBG and HOME program tables in Section 1.4.2, with explanatory and reference notes.

1.4 Public Participation

1.4.1 Summary of Comments

The public comment period for the draft Consolidated Annual Performance and Evaluation Report was March 13 through March 28. An invitation for public comment was published on March 10, 2005 in the Anchorage Daily News (copy of the advertisement is included in Appendix 1). A public hearing on the CAPER was held on March 22, 2005 beginning at 4pm in the Mayor's Conference Room (632 W. 6th Ave, 8th floor). Copies of the draft CAPER were available at City Hall (suite 630), by mail, electronically via compact disk, and on DoN's WEB page (www.muni.org/cdbg/index.cfm).

CIHA submitted comments to the draft CAPER. Along with a few minor corrections to the narrative, CIHA indicated that the organization is looking forward to continuing to work with the Municipality of Anchorage to address the affordable housing needs of Anchorage's low-income residents. No other formal comments were received.

1.4.2 Public Disclosure of CDBG, HOME and ESG Funds

In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

The Table below summarizes CDBG, ESG and HOME funds available and committed during the 2005 program year.

Table 1.4.2a. Source of ESG, CDBG and HOME funds

Source	Prior Funds Available as of 1/1/2005	New Funds Available, including Program income, Recaptured Funds, and Prior Year Adjustments	Total Available	Total Committed or Expended	Total Uncommitted
CDBG	2,296,828	2,546,143	4,842,971	4,749,148	93,823
HOME	3,110,544	1,578,021	4,688,565	4,675,166	13,399
ADDI	157,897	58,670	215,567	70,079	0
ESG	79,221	83,573	162,794	162,794	0

Of CDBG funds expended and drawn through HUD's reporting system, 96.95% were for activities directly benefiting low and moderate income people. The remaining were expended on activities that pursued the elimination of slum and blight. The tables that follow present more detailed expenditure, commitment and location data for the HOME and CDBG programs. ESG is discussed in more detail in section 3.2.

Table 1.4.2b. Detailed HOME Table

Proposed Activities	IDIS #	Location	Balance 12/31/2004 (2004 CAPER)	2005 Adjustments/ Corrections	Expended PY2005	Balance Dec. 31, 2005	Notes
1 Administration, Planning, and Grant Management	Var.	City-wide	107,325	131,120	148,874	89,571	1
HOME Funds			107,325	123,529	148,874	81,980	
ADDI Funds			-	7,591		7,591	
2 Anchorage Community Home Ownership Resources (AnCHOR)*	Var.	City-wide	773,585	523,703	660,851	636,437	2
HOME Funds			615,688	422,624	501,954	536,358	
ADDI Funds			157,897	51,079	138,897	70,079	
AMHTA Funds			-	50,000	20,000	30,000	
3 Homeowner Rehabilitation Program	657	City-wide	806,500	200,000		1,006,500	3
4b CHDO Housing Development – GOAL/Unallocated	TBA	City-wide	132,049	161,395		293,444	3
4a Housing Development – GOAL/Mt. View Village	769	Mountain View	695,355	491,758		1,187,113	4
4a Housing Development – GOAL/Unallocated	TBA	City-wide		111,518		111,518	4
5 Housing Acquisition and Rehab Program (HARP), (CHDO)	548	City-wide	589,320	-	175,413	413,907	
6 Anchorage Housing Initiatives (AHI)	308,309	City-wide	108,353	-		108,353	
7 CHDO Operating Expense Assistance	766,767	City-wide	55,955	53,798	50,065	59,688	3
Unallocated			-	13,399	-	13,399	5
Total			3,268,442	1,686,691	1,035,203	3,919,930	

1 \$107,597 from 2005 Action Plan. \$23,523 addition result from reconciliation.

2 \$523,019 from 2005 Action Plan. \$684 addition result from HOME reconciliation.

3 2005 Action Plan

4 GOAL Program did not result in an award for all funds available. \$111,518 remains uncommitted. An additional \$6,039 was unidentified in 2004 CAPER as a result of HOME reconciliation included in GOAL award.

5 \$13,399 identified from HOME reconciliation.

Table 1.4.2c. Detailed CDBG Table

	Proposed Activities	IDIS #	Location	Balance 12/31/2004 (2004 CAPER)	2005 Amendments/ Adjustments	2005 Expenditures	Balance 12/31/2005 (2005 CAPER)	Notes
#1	Program Administration and Planning	various	City-wide	331,442	487,902	433,863	385,481	1
#2	Housing							
#2a	Affordable Homeownership Program (Habitat)	655	City-wide	87,251	-	-	87,251	
#2b	Minor Repair Program (ANHS and MOA)	625, 669	City-wide	509,439	738,519	529,746	718,212	2
#2b2	Neighborhood Historic Surveys (MOA)	758	City-wide	21,413	40,000	15,607	45,806	3
#2d	Rental Rehabilitation (CIHA)	689	City-wide	600,000	(200,000)	-	400,000	3
#2e	Housing Services Project Delivery Costs (CIHA, ANHS, MOA)	762, Var.	City-wide	93,887	79,349	38,648	134,588	4
#3	Community Building Capital Projects							
#3a	Mountain View Arts and Cultural District	TBA	Mountain View	-	111,942	-	111,942	5
#3a2	"Mobile Trailer Supply" Building Acquisition (Anchorage Community Land Trust)	787	3130, 3142 and 3150 Mountain View Drive	-	740,000	740,000	-	6
#3b	McKinnell Family Shelter (Salvation Army)	761	546 E 15th	-	-	-	-	
#3c	Clare House Renovation (Catholic Social Services)	722	420 W. 54th Ave	71,316	-	46,028	25,288	
#3d	Crisis Center Renovation (Covenant House)	760	609 F Street	100,000	(63,292)	-	36,708	6
#3e	Parks Rejuvenation Project (MOA)	709	Various/City-wide	11,480	(616)	8,091	2,773	7
#3f	CDBG Project Delivery (formerly Cap Project Oversight)	Various	City-wide	35,691	65,107	30,343	70,455	8
#3g	Special Olympics Alaska	694	3200 Mt. View Dr.	34,000	-	34,000	-	9
#4	Elimination of Slum & Blight							
#4a	Slum and Blight (Demolitions and Rust in Peace)	653	City-wide	192,393	91,081	118,609	164,864	3
#4b	Mountain View Façade Improvement		Mountain View	-	100,000	-	100,000	9
#4	Brewsters Corner Mountain View	653	3901 Mt. View Dr.	100,000	(100,000)	-	-	10
#5	Public Service							
#5a	St. Francis House (Catholic Social Services)	712	3710 E. 20th	7,300	53,802	61,102	-	3
#5b	Senior Vision Assessment Program (AK Center for Blind)	713	3903 Taft Dr.	2,889	4,259	7,148	-	3
#5c	Children at Risk Project (Alaska Legal Serv)	715	1016 W. 6th Ave.	48,200	95,755	143,955	-	3
#5d	Anchorage Literacy Project II (Anchorage Literacy)	714	1345 Rudakof Cir.	21,457	86,388	102,628	5,217	3
#5e	Job Development (Covenant House)	716	609 F Street	13,264	58,499	71,763	-	3
#5f	Child Advocate Program (STAR) II	717	1057 W. Fireweed	15,406	33,625	49,031	-	3
#5g	Katrina Emergency Assistance (NinStar)		City-wide		30,000		30,000	11
	Unallocated				93,823			12
Total				2,296,828	2,546,143	2,430,563	2,412,408	

Notes

- 1 2005 Action Plan added \$436,410. Additional \$51,492 identified through reconciliation process.
- 2 2005 Action Plan added \$425,462. \$316,745 identified through reconciliation that was inadvertently omitted from 2004 CAPER. Decreased by \$3,688 through informal amendment.
- 3 2005 Action Plan
- 4 2005 Action plan added \$57,149. Informal amendment added \$22,200 (primarily as a result of capital project oversight funds charged for minor repair oversight)
- 5 2005 Action Plan added \$611,942 (previously committed), and Amendment #1 specified Mobile Trailer Supply for this activity for \$500,000, reducing this line to total of \$111,942. Additional \$278,058 remains committed in future year funds.
- 6 Total committed to this activity is \$376,807. Of this, \$340,099 is committed in future year funds, the remaining is the balance shown in this CAPER. This adjustment in current v. future year commitments resulted from the 2005 Action Plan, Amendment #2, and informal amendments accomplished during the FY05 program year. No change in total commitment was made.
- 7 Informal amendment reduced budget by \$606 in unexpended balance.
- 8 2005 Action Plan added \$110,970 to this activity. Informal amendment reduced budget by \$22,200 to account for housing project delivery costs charged to this line. Adjustments also incorporate \$25,450 in expenditures that were not reported in the 2004 CAPER.
- 9 2005 Action Plan Amendment #2
- 10 2004 CAPER inaccurately reflected \$100,000 remaining in this activity.
- 11 2005 Action Plan Amendment #3, reprogramming \$30,000 of previously unallocated funds (this is CDBG#5d in 2006 Action Plan)
- 12 This incorporates \$91,305 in miscellaneous funds from various prior years inadvertently omitted from 2004 CAPER and \$2,518 in unexpended funds from completed projects (informal amendment).

1.5 Institutional Structure

Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

The following actions were taken over the last year to strengthen institutional structure and to address housing and community development:

- In October of 2005, the Municipal Assembly approved the creation of the Department of Neighborhoods (DoN), elevating the Community Development Division to a department. This elevation followed the institutional changes that began earlier in the year by transferring the Weatherization program from the Department of Health and Human Services thereby consolidating the Municipality's housing improvement functions.
- Further refining the role of DoN, the department will facilitate the production of the Mountain View Neighborhood Plan, producing the Municipality's first Neighborhood Plan under the Municipal ordinance 2005-73. Through this experience, DoN will compile a neighborhood planning resource to be available throughout Anchorage.
- The 10 Year Plan on Homelessness was published in January of 2005 and a Homelessness Oversight Committee was created to track progress on the 1-, 3-, 5-, and 10-year action steps. The plan and the Oversight Committee were recognized by the Anchorage Assembly; the Oversight Committee is now an official sub-committee of the community's HAND Commission.
- The Mountain View Neighborhood Plan process was officially begun in November of 2005. The group of residents, representatives of local government, businesses, community advocates and providers meet regularly to analyze existing conditions and develop measurable goals and actions to improve the neighborhood.
- The Municipality continues to post its pertinent documents on the Internet via the DoN Web page: www.muni.org/cdbg/index.cfm.
- DoN continues to participate in and support the Alaska Affordable Housing Partnership, a collaborative group of entities and individuals interested in affordable housing in Anchorage.

1.6 Monitoring

1.6.1 Monitoring Frequency and Method

Describe how and the frequency with which you monitored your activities

The majority of programs funded through CDBG, HOME and ESG are administered by outside agencies. In order to ensure program compliance, the Municipality utilizes programmatic Policies and Procedures, Subrecipient and Grant Agreements, and on-going monitoring activities. The Department of Neighborhoods monitored CDBG and HOME grantees and subrecipients utilizing:

- Quarterly and monthly reports
- Onsite inspections
- Desk reviews
- Davis Bacon compliance reviews

- CHDO certification/recertification

All grantees were requested to provide their Single Audit, if required. Audits are reviewed by MOA staff, and if findings are identified, additional monitoring may result.

Agencies receiving Public Service awards received an onsite monitoring visit at least once during the program year by MOA staff. Technical assistance was provided to grantees as needed.

1.6.2 Monitoring Results

Describe the results of your monitoring including any improvements

As a result of monitoring, payments to several grantees have been delayed until reports or deliverables are completed. During the on-site inspection of Adelaide one non-working smoke detector was found, and upon re-inspection it had been repaired. During the Stephens Park monitoring an inspection of the furnace room revealed a leak that had been undetected. The furnace room was re-inspected several days later and the leak had been repaired. The monitoring of the Municipality of Anchorage Minor Repair Program contributed to consolidation of the Municipality's housing repair programs into the Department of Neighborhoods. The monitoring also resulted in some changes in the bid solicitation to identify a term heating contractor for use in the Weatherization and Minor Repair programs. Several meetings with Anchorage's newest CHDO, Shiloh Community Development, Inc. have contributed to that organization's better understanding of housing activities and requirements under the HOME program.

Our monitoring efforts have improved communication between the Department of Neighborhoods and our grantees or subrecipients.

1.6.3 Self Evaluation

- a. Describe the effect programs have in solving neighborhood and community problems.
- b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
- c. Describe how you provided a decent housing and suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
- d. Indicate any activities falling behind schedule.
- e. Describe how activities and strategies made an impact on identified needs.
- f. Identify indicators that would best describe the results.

- g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
- h. Identify whether major goals are on target and discuss reasons for those that are not on target.
- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

The Municipality followed the goals and objectives of the Consolidated Plan. It addressed the needs of low and moderate income persons, the homeless, the non-homeless persons with special needs; cooperated with housing authorities and lending institutions and helped to fund housing needs; leveraged new funding for economic development and job creation in a target neighborhood; and it participated in providing shelter and services to homeless persons. The Municipality continued to improve its grants and financial management system, continued to offer program funding and support services, and has revised several program Policies and Procedures manuals. It is the Municipality's self evaluation assessment that it has followed the national objectives, continued progress toward the original goals of its 2003-2007 Consolidated Plan, and has implemented the priority activities specified in the 2005 Action Plan.

DoN continued to build its internal capacity in 2005, and is making strides with the Management Improvement Plan approved by HUD in 2004. New programs like HARP, Homeowner Rehab, and AHI began or completed units in 2005 and the work performed under these programs will be reported in next year's CAPER. Significant investments in economic development projects and housing units were made in 2005, and widespread community participation is ongoing as part of the neighborhood planning process.

DoN was faced with a number of staffing and program adjustments when it took over the Weatherization program in 2005. However, the department made great strides in overcoming these barriers: the application process for Weatherization and Minor Repair has been streamlined and new staff has been hired and a commitment has been made to invest in staff training. Other adjustments to bolster the number of households who are provided a suitable living environment will include redirecting funding for the non-performing Rental Rehabilitation program to the Minor Repair program.

The major players involved in affordable housing development in Anchorage, ANHS, Habitat for Humanity, and CIHA, continue to provide needed housing opportunities in the community. The CHDO operating expenses provided in 2005 is evidence of the organizational growth and capacity of two additional CHDOs in the Municipality.

1.7 Lead-based Paint

On September 15, 2000, 24 CFR Part 35 – Lead Based Paint Poisoning Prevention in Certain Residential Structures became effective. In 2003, the Municipality began implementing Part 35 into its affordable-housing programs.

During the 2005 program year, the Municipality continued to fully incorporate lead-based paint activities into its various CDBG and HOME housing programs. Additionally, the Municipality shifted the U.S. Department of Energy's Weatherization Assistance Program (administered by the Municipality under contract with Alaska Housing Finance Corporation) from the Department of Health and Human Services to the Department of Neighborhoods. Having acquired the Weatherization Program and internalized the Minor Repair Program, the Department of Neighborhoods sought at the end of the program year to enter into a long-term contract with an environmental-services firm to provide lead-based paint hazard-evaluation activities. This change was incorporated into the Municipality's Lead-Based Paint Policy and Lead-Based Paint Procedures.

Lead-based paint in Anchorage's housing continues to be a rare occurrence, primarily due to Anchorage's relatively new housing stock. Nevertheless, all CDBG- and HOME-funded programs dealing with rehabilitation of older homes include funds to address lead-based paint according to Part 35 regulations. Furthermore, all Weatherization projects are undertaken in compliance with Weatherization Program Notice 02-6.

1.7.1 Alaska Division of Public Health (ADPH)

Through surveillance and collaborative partnerships, ADPH identifies sources of lead exposure in Alaska, prevents lead poisoning, and provides education to enable individuals to reduce their exposure to lead. ADPH has a statewide blood-lead surveillance program and targeted-screening effort to ensure the protection of children in the state from childhood lead-exposures. Preliminary studies indicate that Alaska is a low-prevalence state for elevated childhood blood-lead levels. Present efforts are being directed towards targeted screening of populations potentially at risk for lead exposures such as junior shooters at indoor firing ranges. ADPH also acts as a resource for health-care providers, tribal organizations, contractors, and the general public for information and health-education materials regarding lead-exposure hazards and lead-poisoning prevention. In addition, ADPH monitors adult blood-lead levels to identify excess lead exposures of adults and their families.

Agency	Alaska Division of Public Health
Contact:	Scott Arnold, Ph.D.
Title	Environmental Toxicologist
E-Mail Address	Scott_Arnold@health.state.ak.us

Business Address	3601 C Street, Suite 540
Mailing Address	P.O. Box 240249
City, State, Zip Code	Anchorage, AK 99524-0249
Business Phone	907-269-8086
Business FAX	907-561-4672

There is a state law that requires all blood lead levels above 10 µg/dL (micrograms per deciliter) be reported to ADPH within four weeks of collection. However many laboratories report all lead results. Ten (10) µg/dL is the blood lead level of concern for children less than 6 years of age. For adults, the blood lead level of concern is 25 µg/dL. Over a thousand blood-lead reports are received a year from laboratories that perform the analysis. Physicians within the state collect the blood when indicated or in conjunction with an occupational monitoring program such as what exists at the Red Dog Mine.

The ADPH office also performs investigations where lead exposure has been suspected or reported. ADPH's web site contains the results of some of these investigations (<http://www.epi.hss.state.ak.us/bulletins/bltnidx.jsp>, scan down to "L" to find the lead reports). ADPH intends to write a comprehensive report summarizing the data to date from its lead database. While the web site profiles an investigation at the Bear Valley Elementary School, there has been no incidences of elevated blood-lead levels in children in Anchorage due to any reported or suspected lead exposure.

One of the primary sources of occupational-exposure to lead in Alaska is lead mining such as Red Dog Mine. The Red Dog Mine has an excellent blood lead monitoring program (most reports received by the ADPH come from Red Dog Mine). There are other less common occupational exposures in Alaska such as radiator shops. There was one adult that worked at an Anchorage radiator shop during the program year with an exposure over 25 µg/dL. This person's blood-lead level did not exceed OSHA's removal limit of 3 tests above 50 µg/dL, or one test above 60 µg/dL.

For non-occupational potential-exposure, firearms use appears the most frequent. Increased lead-exposures have been seen at indoor firing-ranges in other parts of the state, though no levels were found that merited medical treatment. There is also potential exposure with hand-reloading of ammunition. Melting of lead to make fishing weights is also a potential source of exposure. One last source is when children are exposed at home by take-home lead (i.e., lead on the clothes of mom or dad from work or other activity).

Note that all of these operations may be performed without unsafe lead exposure if simple precautions are implemented. Educational materials are available at the ADPH office.

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2. Housing Needs

2.1 Fostering and Maintaining Affordable Housing

Describe Actions during the last year to foster and maintain affordable housing.

Significant progress was made by the Homelessness Oversight Committee on the year one action steps of the Ten-Year Plan on Homelessness. In the area of housing production and preservation, six of the eight action steps had been completed by January of 2006. These actions include:

- Housing Production: CIHA created 57 units in Mountain View, exceeding the first-year goal of 20 units;
- HOME funds dedicated to rental housing: CIHA's Mountain View Village II, funded by a variety of sources including HOME, was approximately 90% complete with its 47 units in 2005 (units are included in 57 total in bullet above);
- Housing production incentives: the 10-year plan points out a shortage of one and four-bedroom affordable units. Through this work DoN developed the Housing First Production/1- and 4- Bedroom Units program in its 2006 Action Plan which will solicit housing applications that highly favor this type of housing;
- Municipal Development Authority: the Anchorage Community Development Authority was created in 2005 which provides the Municipality with a powerful tool to aid in the development of affordable housing;
- Mobile Home Parks: The I'M HOME grant received by DoN in 2005 is the first step in creating a secure and stable manufactured home community in Anchorage;
- Encourage Alaska Housing Finance Corporation to direct more of its funding towards affordable housing. As a result of the state's homelessness planning efforts, AHFC was designated as the lead agency in an effort to develop more affordable housing statewide. The Alaska Mental Health Trust was designated as the lead in an effort to develop an Alaska Housing Trust Fund.

These efforts complement the myriad of on-going housing programs that support affordable housing funded by CDBG and HOME, such as the Minor Repair program, AnCHOR, Housing Acquisition and Rehab (HARP), Rental Rehabilitation and Home Rehabilitations programs, as well as the support of the three CHDOs in Anchorage.

2.2 Specific Housing Objectives

2.2.1 Affordable Housing Goals

Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

In the 2005 Action Plan, the MOA set a goal to assist 22 households with down payment assistance (AnCHOR Program), 42 households with rental housing development/GOAL, 70 households with minor repairs to their homes (Minor Repair Program), 22 households with the major rehabilitation to their homes (Homeowner Rehabilitation Program), 3 households with the Affordable Homeownership Program (AHP), 2 households with homeownership through the CHDO demonstration project (AHI), 2 households for homeownership through the CHDO acquisition rehabilitation/new construction programs (HARP) and rehabilitation of 20 rental units through the Rental Rehabilitation Program. The actual numbers assisted were: AnCHOR 28, Goal 0 (47 near completion but no final paperwork), Minor Rehab 28 (with 21 underway), Homeowner Rehab 0 (6 completed in 2005 but final paper work completed in first quarter of 2006), AHP 0, AHI 0 (1 breaking ground in early 2006), HARP 0 (1 with construction complete and sale to qualifying household pending, to be reported in 2006), and Rental Rehabilitation 0 (this program was cancelled in first quarter 2006 due to lack of units).

Table 2.2.1 shows the breakdown, by housing project with units competed in 2005, of households served by income ranges:

Table 2.2.1

Household Income Range	Program			Total
	Minor Repair - ANHS	Minor Repair - MOA	AnCHOR	
Very Low	5	12	6	23
Low	5	3	9	17
Moderate	3	0	13	16
Total	13	15	28	56

These numbers show that all but AnCHOR performed below goals set in 2005 Action Plan. However, when considering the number of projects that are either underway, near completion, and/or completed but not yet reported, the status of production and preservation of affordable housing in Anchorage is encouraging. Many of the programs were new in 2004, or had new administrators. With the exception of the Rental Rehabilitation program, all are making significant strides. After confirming with the administrator Na Qenq'a Development Financing, Inc. (a subsidiary of CIHA), DoN has proposed folding the program funding into its

loan programs that will provide additional resources to ongoing rental rehabilitation. More discussion of “course corrections” implied by these results is included in Section 1.2 of this CAPER.

In addition to this proposed change in the Rental Rehabilitation program, monitoring has resulted in changes in funding levels and in program policies in many of the housing programs, including AnCHOR and HOME. DoN continues to work closely with two new CHDOs, and provided operating expense assistance for the first time in 2005, which has helped these small housing organizations build capacity for future housing production activities. All these actions will build community and Municipal capacity to support a more robust production schedule in 2006.

2.2.2 Section 215 Affordable Housing

Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

Section 215 is defined under 24 CFR Part 92.252 as affordable rental housing and under 24 CFR Part 92.254 as affordable homeownership housing. With respect to the CDBG and HOME programs, AnCHOR loans, the HARP program, Homeowner Rehabilitation Program and the CHDO demonstration project fit the criteria established in the HUD definition for Section 215. A total of 28 units of this type were assisted and completed during 2005 by formula grant funds in this CAPER.

2.2.3 “Worst Case” Housing Needs

Describe efforts to address “worst case” housing needs and housing needs of person with disabilities.

Housing assistance provided to “worst case” housing needs includes housing for people with disabilities, housing for seniors, housing for the very low income and housing for the homeless. The AnCHOR program realized assistance to three households with disabilities and one senior household. The Minor Repair program served 13 disability households and six senior households.

In addition to these actual households assisted, the Ten Year Plan on Homelessness addressed housing for homeless, and also emphasized homeless prevention, better coordinating and delivering existing services and funding, and the necessity of combining appropriate services with permanent housing choices for the homeless, especially those with special needs. The full listing of year one actions, as well as their completion status is included in Appendix 5.

Other progress related to the community's action to address homelessness is performed by the Continuum of Care in Anchorage. A copy of the CoC current application and progress can be obtained by contacting DoN. Additional programs active in the community that address housing needs of the homeless and housing needs of persons with disabilities may be found in Appendix 2.

2.3 Public Housing and Resident Initiatives

Describe actions taken during the last year to improve public housing and resident initiatives.

There are two public housing agencies within the Municipality of Anchorage: CIHA and Alaska Housing Finance Corporation AHFC. Both are tremendous assets to the community and continue to be active in providing affordable housing and promoting resident initiatives. A brief summary of their activities follow.

2.3.1 Alaska Housing Finance Corporation

AHFC is a high performing public housing agency serving affordable housing needs of low-income residents in Anchorage. In 2005 AHFC published its Five Year Public Housing Agency Plan identifying goals and objectives through 2010. On an annual basis AHFC submits an Agency Plan describing basic policies as prescribed by HUD and any changes in policy from the previous year. Because AHFC is a high performing PHA it is entitled to submit a 'streamlined' plan. That format does not require a progress statement as in previous years; however, the outline below reflects some of the major accomplishments during the past calendar year.

- \$250,000 in non-federal matching funds continued to be available statewide to leverage federal resident services grants. In Anchorage, funds are used to support activities at the Gateway Learning Center including a contract with Nine Star Enterprises for youth services.
- AHFC continues to offer the Family Self Sufficiency program in Anchorage. During calendar year 2005 approximately 202 Anchorage families were enrolled in FSS. AHFC continues operate it Housing Choice Voucher FSS program in partnership with the Alaska Division of Public Assistance. The partnership serves families who receive benefits through both the voucher and the Alaska Temporary Assistance Program.
- During the past year AHFC concluded its 5(h) homeownership program. A total of 19 single family homes were made available for sales. AHFC assisted households were given first priority for purchase followed by other low-income households residing in Anchorage. All of the homes were located in the Fairview or Mountain View areas.
- The Housing Choice Voucher homeownership program was expanded during the past year. Originally a pilot program serving persons with

disabilities, the program is now available to working families. AHFC conducted a lottery in the fall of 2005 designed to distribute homeownership certificates to enable qualified families to shop for a home. Fourteen of the current 23 home buyers reside in Anchorage. A majority of those families also received assistance through the AnCHOR Program, made possible by a cooperative agreement with the Municipality of Anchorage.

- All new construction, renovation, and rehabilitation in public housing meet ADA/Section 504 program compliance.
- Staff continues to schedule visits to the Anchorage Job Centers in support the goal of providing comprehensive “one-stop” service coordination.
- AHFC produced and distributed a Section 8 landlord brochure, mapped current Section 8 units to better understand distribution, and awarded 10 scholarships statewide to both public housing and Section 8 participants.
- AHFC secured HUD funding for the Resident Opportunities and Self Sufficiency grant for heavy chore services, Service Coordination in Elderly Housing grant, and the FSS Service Coordinator Grant.

Tables included in Appendix 2 show households served through AHFC’s Public Housing and Housing Choice Voucher programs in 2005.

2.3.2 Cook Inlet Housing Authority

a) Organizational description

Cook Inlet Housing Authority (CIHA) is a regional housing authority created under Alaska statute (AS 18.55.996) by the Cook Inlet Native Association in 1974. CIHA operates within the 38,000 square mile area of Cook Inlet Region, Inc. (CIRI), an Alaska Native Claims Settlement Act (ANCSA) regional corporation. The geographic service area of CIHA stretches north from the southern shores of Kachemak Bay to the foothills of Mt. McKinley and westward from the shores of the Prince William Sound to the eastern edge of Lake Iliamna. CIHA has been nationally recognized for its excellence, serving low-income households in Anchorage and throughout CIHA’s service area.

Since enactment of the Native American Housing Assistance and Self-Determination Act (NAHASDA) of 1996, CIHA has been the tribally designated housing entity (TDHE) for CIRI. In addition to NAHASDA funding, CIHA actively seeks other affordable housing dollars to ensure that its housing developments represent the racial and ethnic composition of the community.

According to Census 2000 figures, CIHA serves a Native American population of 35,972 or 30 percent of the Native American population of Alaska. Seventy five percent of this population, or 26,995 individuals, live within the Municipality of Anchorage. CIHA estimates that more than half of the Native American families living in CIHA's service area are living at or below HUD-defined low-income levels (80 percent of the median income level or less), making them eligible for any and all of CIHA's housing programs.

CIHA's mission is to provide quality housing that promotes healthy communities, economic development, independence and partnering. The Authority's housing programs are designed to empower clients and to encourage their transition toward self-sufficiency through homeownership or affordable rental housing.

a) Program descriptions

CIHA's programs include elder and family rental housing, affordable home loans, tenant-based rental assistance, and assistance with emergency repairs, accessibility improvements and weatherization upgrades. In addition, CIHA partners with a number of community organizations in an effort to ensure that a full continuum of services is provided to address client needs. By supporting projects such as the Brother Francis Shelter, McKinnell House, Homeward Bound, the Cook Inlet Tribal Council emergency housing assistance program, the Ernie Turner transitional housing, and the local Boys and Girls Clubs, CIHA promotes healthy lifestyles and a healthy community. CIHA programs are listed below:

Elder Rental Program: Affordable rental housing units are available for low-income elders through this program. Subsidized monthly rental payments do not exceed 30% of income. Rental facilities are located throughout the Cook Inlet ANCSA (Alaska Native Claims Settlement Act) service area (360 units in current stock).

In addition to housing, CIHA provides other supportive services to elders. These services are provided as a self-sufficiency service so to enhance the ability of these elders to continue to reside independently in affordable housing. Much of this assistance is provided by CIHA's Resident Supportive Services Program for the elderly low-income residents of CIHA-owned affordable housing units (1937 Housing Act units, NAHASDA units, and units of other affordable housing programs).

Family Rental Program: Many of the units developed by CIHA provide needed affordable housing for low-income families. Units developed for families are funded from a variety of sources, including NAHASDA and Low-Income Housing Tax Credits.

Mutual Help Homeownership Program: This program provides low-income Native American families with the opportunity to own a home through a lease, with option to buy. Modernization services and homeownership/maintenance counseling are also provided. As of December 2005, CIHA had 81 homes in this program (including 54 in Anchorage).

Homeownership Loan Program: Low-income Native Americans are given the opportunity of owning a home through this program. This program includes closing costs assistance and down payment assistance. A second lien (or third in some cases) mortgage with low interest is provided.

(NOTE: Non low-income Native American families may be eligible for this program if living in sub-standard housing and purchasing a home in a CIHA revitalization target area. Incomes cannot exceed 100% of area median income.)

Safe & Healthy Home Program: Assistance for improving the life safety, accessibility and energy efficiency of housing is provided by this program, to enhance and protect the quality of life for qualified homeowners. In addition, snow plowing is a housing service provided to homeowners who participate in the Safe and Healthy Home Program (as a service to residents of affordable housing).

Rental Assistance Program: This program provides tenant based rental assistance (TBRA) to low-income Native American residents of rental housing. This assistance is in the form of rental vouchers. This program benefits both the Elderly (additional eligibility requirement: must be 55 years or older) and families.

This program also includes two other components:

- Temporary housing assistance; and
- A self-sufficiency program (non-elder TBRA recipients required to enroll in program).

Sub-Grant Program: CIHA supports other programs through sub-grants to agencies providing assistance to eligible participants. These organizations are partners with CIHA in the execution of CIHA's mission and plan. Programs include assistance to homeless, emergency housing assistance, transitional housing, etc. Sub-grantees during 2005 included:

- Brother Francis Program Sub-grant (Rental Assistance-Emergency Shelter: Anchorage): Grant assistance was provided to the Catholic Social Services to fund positions and program expenses for activities

to coordinate housing needs for homeless Native Americans/Alaska Native in Homeless Shelters.

- McKinnell House Sub-grant (Rental Assistance-Emergency Shelter: Anchorage): Grant assistance was provided to the Salvation Army in support of emergency shelter assistance for homeless Native American/Alaska Native families
- Emergency Voucher Assistance Grants (EVAG) Program Sub-grant (Rental Assistance: Region wide): This grant was used by Cook Inlet Tribal Council (CITC) to support its emergency housing voucher program. As a means to prevent homelessness, EVAG provided emergency vouchers to qualified Alaska Natives/American Indians facing homelessness.
- Transitional Housing Program Sub-grant-(Emergency Shelter-Ernie Turner Center: Anchorage): A sub-grant was provided to the Ernie Turner Center to provide transitional housing for low-income Native Americans/Alaska Natives undergoing treatment for alcohol and substance abuse.
- Homeward Bound Program Sub-grant (Housing and Support Assistance: Anchorage): Grant assistance was provided to RuralCAP to help support its Homeward Bound Program in Anchorage. Homeward Bound is a local non-profit program that addresses the hard-core homeless in Anchorage.
- Youth Programs (Crime Prevention and Safety: Region wide): CIHA provided funding for various youth programs throughout the CIRI geographic area (including programs in some of the villages in the area, as well as programs in Anchorage). These programs are intended to benefit residents of affordable housing by reducing crime directed at affordable housing properties and inhabitants.

Development Program: The development program provides new units of affordable housing for use by CIHA's operating programs. 2005 projects included:

- Brother Francis Shelter New Building (Anchorage): CIHA contributed funding for the construction of a new homeless shelter in Anchorage. CIHA worked through an established shelter provider, Catholic Social Services, for development and operation of the new facility. The shelter includes emergency housing for homeless low-income Native Americans/Alaska Natives.
- Neighborhood Revitalization (Anchorage): CIHA's Neighborhood Revitalization Program has provided initial investment capital in targeted neighborhoods with the intent of attracting private and other

community investment necessary to improve the quality of housing in older neighborhoods, assist low-income families become homeowners, reduce crime, and help neighborhood organizations achieve their community goals and manage their changing environment.

- Muldoon Town Center (Anchorage): This property will be used for the development of affordable housing units.
- Airport Heights Property (Anchorage): This property will be used for the development of affordable housing units.

b) CIHA Funding Description

CIHA receives much of its funding through the Native American Housing and Self-Determination Act of 1996 (NAHASDA), designed to meet the critical housing needs of Alaska Natives and American Indians. CIHA also receives funds from other sources including rental receipts, other grants, and investment income. In this regard, CIHA's challenge is to create neighborhoods and communities that foster self sufficiency and celebrate cultural diversity.

2.4 Eliminate Barriers to Affordable Housing

Describe actions taken during the last year to eliminate barriers to affordable housing.

During 2005, there were several programmatic, funding and institutional accomplishments to eliminate barriers to affordable housing. Unfortunately, there have also been setbacks. The primary barrier to affordable housing is funding. AFHC faced major funding challenges, along with other public housing authorities nationwide, when they were required to change the way they fund Housing Choice Vouchers, commonly called "Section 8". Rather than funding a set number of vouchers regardless of each individual household's financial need, HUD announced that in 2005 it would, instead, fund a fixed dollar amount. The result was fewer vouchers, and hence, fewer households being served. If a family size increases, if families served are lower income, or if rents increase there will be fewer options for them. For Anchorage, it will be critical to track not only how the state is affected by this change, but how the budget will be applied to Anchorage in relation to the rest of the state. By September of 2005, the number of vouchers "on the street" in Anchorage was 20 percent less than it was the year before. Despite this setback, there were also gains with regards to affordable housing, discussed below:

- The Municipality, AHFC, CIHA, ANHS, and Habitat of Humanity have provided funding and/or services to low/moderate income households.

Many AHFC and CIHA programs are discussed in the Public Housing narrative.

- The AnCHOR program provided down payment and closing cost assistance to 28 low- and moderate-income households in 2005.
- The Alaska Affordable Housing Partnership is a collaborative effort that continues to meet on a quarterly basis and share information about housing and housing programs in Anchorage. The partnership began an effort to track all affordable housing opportunities in Anchorage in 2005, and hopes to incorporate this information into a real-time database. Among other topics, members of this group have provided input to revisions being made to the Municipality's Title 21 with regards to assisted living.
- With Anchorage's aging housing stock, federally funded agencies, and the State Historic Preservation Officer (SHPO) as an oversight agency, have faced increasingly difficult challenge in performing an adequate historic review of older homes before they are demolished or substantially rehabilitated. During the program year, the Municipality and SHPO funded a historic survey in Mountain View, providing streamlining for further affordable housing development, rehabilitation, and historic preservation in the community. Funding has been reserved in 2006 to complete a survey of the Fairview neighborhood.
- Manufactured housing has historically been an important option of affordable housing in Anchorage. Yet incentives for manufactured housing parks to sell or redevelop, and new proposed code requirements threaten this option. In 2005, the Municipality received a grant from the Center for Enterprise Development to explore the possibility of creating an adequate and secure manufactured housing development; furthermore, DoN and the HAND Commission have made significant contributions to the Municipal code rewrite to ensure that manufactured housing is not restricted from all but a small amount of residential land.
- A workgroup of Municipal staff and assisted living providers drafted a revised Assisted Living ordinance which was introduced to the Assembly. This ordinance will clarify expectations for the assisted living industry and the community. The Assembly postponed action on the ordinance in 2005.
- Nearly \$1.2 million in HOME funds were awarded to CIHA for production of 47 affordable units in Mountain View, in the Mountain View Village II project. By the end of the year, these were 90% complete.

- As a product of the state's Plan on Homelessness, completed during 2005, two groups were recommended: one will be dedicated to forming a state-wide Housing Trust Fund, and the second will convene to identify ways to encourage more affordable housing. This statewide collaboration lays the foundation for future work in the elimination of barriers to affordable housing.

2.5 HOME/American Dream Downpayment Initiative (ADDI)

2.5.1 Assessment of Relationship of HOME Funds to Goals and Objectives

Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

As discussed elsewhere in this report, HOME funds were used for downpayment assistance, rental and homeownership housing rehabilitation and construction, and CHDO operating Expense Assistance during the program year. The AnCHOR program continued to perform well, while at the same time provided as small amount of match through a partnership with the Alaska Mental Health Trust Authority. A grant agreement was executed with CIHA in June for rental housing development in June, and the project was 90% complete by the end of the year, with an expected 47 units completed in 2006. Na Qenq'a (part of CIHA) administered the housing rehabilitation program and neared completion of six units, with final closeout paperwork preventing completions counted during the program year. Overall, while production numbers fell under expectations in terms of completions counted, the units poised for completion in 2006 present a more encouraging picture.

Please see sections 1.2 and 2.2 for a count of units completed through HOME-funded programs.

2.5.2 HOME Match Report

Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

HUD's monitoring of FFY 2004 brought about the disallowance of the match associated with the Affordable Homeownership Program (AHP) administered by Habitat for Humanity Anchorage. This action resulted in a reduced match-carryforward from 2004 of \$47,842.71.

Match for FFY 2005 was derived from Proceeds for Affordable Housing Bonds and Cash. Most AnCHOR loans (except for the ones combined with AHP) are funded in conjunction with one of AHFC's first-time homebuyer's programs. When a loan is combined with the first-time homebuyer's program, AHFC purchases the loan from the first-mortgage loan originator and reduces the

homebuyer's interest rate, thus making the loan more affordable. The funds for AHFC's programs are derived from statewide affordable housing bonds and are, therefore, restricted to 25% of the Municipality's annual match liability (which is 25% of HOME-project funds expended). Bond-proceeds not used for match are "banked" for future periods. In FFY 2005, the Municipality counted \$44,412.32 of the bond proceeds as match, banking \$688,525.93, with total bankable proceeds forwarded to 2006 amounting to \$3,401,594.95.

Match from cash sources stemmed from the Homeowner Rehabilitation Program (HRP) administered by CIHA, the Housing Acquisition and Rehabilitation Program (HARP) administered by ANHS, and the Municipality's agreements with the Alaska Mental Health Trust Authority (AMHTA) and AHFC for its Housing Choice Voucher Homeownership Program (HCVHP) as used in conjunction with the AnCHOR Program.

The Municipality's agreement with CIHA for the administration of HRP calls for CIHA to provide match for each project in the amount of 25% of expended HOME funds. The funding source of CIHA's match is its agreement with AHFC for the Supplemental Housing Development Grant Program. Six HRP projects were undertaken during FFY 2005, providing \$49,644.11 of match.

ANHS finished construction on one project during FFY 2005 with HARP. The total amount of match generated though this project has yet to be fully calculated as of this writing. However, ANHS provided the Municipality with documentation for the first \$2,455 expended by ANHS as its match requirement. The source of ANHS's match funds is its own cash reserves from operations.

ANHS, the Municipality's Subrecipient for the AnCHOR Program, closed one loan during the 2005 federal fiscal year that assisted an AMHTA beneficiary. The AMHTA loan amounted to \$10,000.

Five loans were closed by ANHS that were combined with AHFC's Housing Choice Voucher Homeownership Program. Each of these loans had cash match from the Federal Home Loan Bank of Seattle's HomeStart program. The total cash contribution from HCVHP was \$25,000.

As of the end of FFY 2005, the Municipality had expended (drew down) \$710,597.08 of HOME funds, creating a match liability of \$177,649.27. Match included bond proceeds (\$44,412.32), cash (\$87,099.11), and the carryforward from 2004 (\$47,842.71). The total 2005 match contributions (bond proceeds and cash) was \$131,511.43. Total match including bond proceeds, cash, and the 2004 carryforward came to \$179,354.13, covering the Municipality's match liability and leaving a carryforward to 2006 of \$1,704.86. The HOME match report is attached in Appendix 3.

2.5.3 HOME MBE and WBE Report

Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

The report is included in Appendix 4.

2.5.4 Assessments

a) On-site Inspections of Rental Housing

On site inspections occurred at Stephens Park and Adelaide during 2005. Stephens Park and Adelaide inspections occurred in October of 2005. Both properties were found to be clean and well maintained.

b) Affirmative Marketing Actions

Owners of rental units assisted with *HOME* funds must keep tenant records, including data on income, family size, rent levels, minority status, use of Section 8 certificates/vouchers, newspaper advertisements, and contacts with community groups concerning existing vacancies (including the dates and persons contacted and the results of contacts). The Municipality annually monitors these records. Anchorage Neighborhood Housing Services provides information on the income, family size, and minority status of all *AnCHOR* loan recipients.

An assessment of programmatic results of these affirmative marketing practices shows that the "white" race group represented the majority among *HOME* program participants, although not as many as would be expected if clientele ethnicity mimicked the general population's. In PY 2004 the *AnCHOR* Program assisted 14 that were White, 0 Native Hawaiian/Other Pacific Islander, 1 Asian, 4 Black/African American, and 1 American Indian/Alaskan Native. Of those that were White, 5 were of the Hispanic ethnicity.

In Anchorage, most Native Americans and Alaska Natives are eligible for programs available through *Cook Inlet Housing Authority*. These favorable terms these programs offer result in a disproportionate number of Native Americans and Alaska Natives choosing not to apply or receive benefits through CDBG and *HOME* programs. The Municipality of Anchorage and its sub-grantees do not exclude or discourage this ethnic population from participating in its programs. Overall, these numbers indicate that affirmative marketing is successful among *HOME*-funded programs.

Beneficiaries of the Municipality's *HOME* programs by race/ethnicity are shown in the following table:

<i>HOME</i> Program	Total	White	Black	Hispanic	Asian/Pacific Islander	Native American, Alaska Native
<i>AnCHOR</i>	28 (100%)	22 (79%)	3 (11%)	6 (21%)	3 (11%)	0 (0%)
Anchorage Population*	260,283 (100%)	188,009 (72%)	15,199 (6%)	14,799 (6%)	16,856 (6%)	18,941 (7%)

* 2000 Census, 6,479 persons do not fall into these categories.

c) Outreach to Minority and Women Owned Businesses

The Municipality of Anchorage has a Disadvantaged Business Enterprise (DBE) and Women-Owned Business Enterprise (WBE) Program, which meets the requirements of the local law, AMC 7.60, and the requirements of the various federal agencies, including HUD, which provide financial assistance to the Municipality. The D/WBE officer in the Office of Equal Opportunity manages this program. Program elements include:

Partnering and assistance for identifying and maintaining inventory of certified DBE/WBE's: The Alaska Department of Transportation & Public Facilities (ADOT&PF), by mutual agreement with the Municipality's Office of Equal Opportunity and other participating agencies, has developed the Alaska Unified Certification Program (AUCP). This program allows DBE/WBE applicants "one stop shopping" for DBE certification. All certifications are currently performed by the ADOT&PF Civil Rights Office in Anchorage, and their office publishes the directory of DBE/WBE businesses monthly via hard copy, as well as a directory online, which is updated weekly. The Municipality of Anchorage also utilizes the US Small Business Administration's listing of small, disadvantaged businesses.

Promoting contracts and business opportunities for DBE's and WBE's: All Municipal solicitations, which are funded wholly or in part by federal agencies, where those agencies have requirements for utilization of minority, disadvantaged, and/or woman owned business enterprises, contain Disadvantaged Business Enterprise and Women-Owned Business Enterprise utilization goals. The goals are published as part of the standard project specifications which are developed to meet the requirements of the federal funding agency. The Municipality annually publishes a notice in the local newspaper identifying the projected overall goals for utilization of Disadvantaged

Business Enterprise and/or Women-Owned Business Enterprise firms on municipal projects.

Facilitating opportunities for DBE and WBE businesses: The D/WBE Officer offers technical assistance to any potential vendor of a federally funded Municipal project prior to contract award, as well as after the contract is awarded – assistance includes DBE resource lists, and DBE reporting. The D/WBE Officer also works with DBE/WBE business owners, offering technical assistance on how to be noticed as a DBE, where to get training and procurement information, as well as information on reporting techniques.

Sponsoring business opportunity-related meetings and workshops: The Municipality collaborates with other local agencies, such as the US Small Business Administration, Alaska Department of Transportation and Public Facilities (ADOT&PF), as well as Procurement Technical Assistance Centers of Alaska (PTAC) to provide workshops on certification, contract compliance, and procurement procedures for municipal projects.

Maintaining centralized records with statistical data on utilization and participation of DBE's and WBE's: The Office of Equal Opportunity maintains records on all municipal projects which are federally assisted and which have a goal for DBE and/or WBE utilization. All contracts executed with organizations that utilize HOME funds require a commitment to affirmative marketing. Loan and grant agreements outline affirmative marketing requirements with which sub-recipients must comply. HOME sub-recipients must agree to comply with all fair housing laws and to use the 'EQUAL OPPORTUNITY' logo in all newspaper advertisements.

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3. Homeless

3.1 Homeless Needs

3.1.1 Actions Taken to Address the Needs of the Homeless

Identify actions taken to address needs of homeless persons.

The “Continuum of Care” is a term used to describe a community’s services for the homeless and services which prevent homelessness. Progress on the Municipality’s Continuum of Care action steps is tracked through monthly subcommittee meetings of the Homeless Services Forum, a group whose purpose is to bring the community together to address homeless issues, share information, spring new ideas, and promote strategies to better serve homeless individuals and families. A detailed overview of the Continuum of Care’s progress, performance and future plans can be obtained by contacting DoN.

In 2004, a critical action step identified in the Continuum of Care was realized: the Mayor’s Task Force on Homelessness was convened and developed the Municipality of Anchorage’s Ten Year Plan on Homelessness. The plan was published in January of 2005 and is available on the Internet at <http://www.muni.org/cdbg/homeless.cfm>. The first progress report on the Ten Year Plan on Homelessness was to the community and members of the Mayor’s Task Force on Homelessness in January of 2006, and is included in Appendix 5.

3.1.2 Permanent and Independent Living for the Homeless

Identify actions to help homeless persons make the transition to permanent housing and independent living.

The Ten Year Plan on Homelessness placed an emphasis on “Housing First” in addressing homeless in Anchorage. This emphasis will be critical in the coming years to migrate the homeless as quickly as possible from their current homeless state into a permanent housing solution. Ideally, this will limit stays of the homeless in emergency shelters. The Coming Home II project, a recipient of funds through the Continuum of Care, offers permanent, supported housing to homeless people with disabilities as project-based housing. The housing portion of this project is sponsored by one of Anchorage’s CHDOs, Anchorage Housing Initiatives. In 2005, the Coming Home II project served 18 homeless individuals. Other permanent and independent living opportunities for the homeless are discussed in the Continuum of Care (see the 2006 Action Plan for the most recent completed Continuum of Care text).

3.1.3 New Federal Resources through 2005 SuperNOFA

Identify new Federal resources obtained from Homeless SuperNOFA.

Ten projects were awarded funds under the 2005 Continuum of Care competition. Anchorage received funds in the amount of \$2,231,594 as a result of the 2005 National Continuum of Care competition.

Table 3.1.3 CONTINUUM OF CARE APPLICATIONS

(1) Applicant	(2) Project Sponsor	(3) Project Name	(4) Numeric Priority	(5) Awarded Project Amount	(6) Term of Project	(7) Program and Component Type*				
						SHP new	SHP renew	S+C new	S+C renew	SRO new
Anchorage Housing Initiatives	Anchorage Housing Initiatives	Coming Home	1	\$81,886	1 year		PH			
ACMHS	ACMHS	Permanent Housing	2	\$646,561	1 year		PH			
RurAL CAP	RurAL CAP	Homeward Bound	3	\$357,474	1 year		TH			
RurAL CAP	RurAL CAP	Community Bound	4	\$141,168	1 year		TH			
Alaskan AIDS Assist. Assn (Four As)	Four As	6-plex Permanent Housing	5	\$103,425	1 year		PH			
Covenant House Alaska	Covenant House Alaska	Rights of Passage	6	\$245,629	1 year		TH			
ACMHS	ACMHS	Transitional Housing SRO	7	\$196,349	1 year		TH			
MOA SAFE City	MOA SAFE City	LINK Project/Supportive Services	8	\$296,714	1 year		HMIS			
AHFC	ACMHS	ACMHS Shelter+Care	9	\$136,608	1 year				SRA	
AHFC	Alaskan AIDS Assist. Assn	Four As Shelter+Care	10	\$25,680	1 year				SRA	
Total Amount:				\$2,231,594						

3.1.4 Specific Homeless Prevention Elements

Identify actions taken to prevent homelessness.

In Anchorage, CDBG and/or HOME funds support the annual development of a "Continuum of Care" plan as an integral part of the Consolidated Plan process and progress report. In 2005, \$30,000 in planning funds were provided directly to support this planning and coordination effort. Other services funded through

CDBG, HOME and ESG, listed below, provided services to prevent homelessness:

CDBG-5g Victims of Hurricane Rita and Katrina Case Management
CDBG-2c. Minor Repair Program
ESG-1. Homeless Prevention
CDBG-5a1. St. Francis House
ESG-2. Essential Services

3.2 Emergency Shelter Grants (ESG)

The Municipal Department of Health and Human Services (DHHS) administers the U.S. Department of Housing and Urban Development's Emergency Shelter Grant monies to assist homeless and near-homeless individuals and families.

3.2.1 Actions Taken for Emergency and Transitional Housing

Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).

In Program Year 2005, **Essential Services** (ES) funds were used, through cooperation with the Municipal Public Transportation Department and 11 local homeless shelter and service providers, to deliver the following transportation assistance:

- 240 Youth bus tokens
- 4,124 Adult bus tokens
- 2,851 Day passes
- 6 Taxi rides to individuals for transportation to job training and interviews, alcohol and drug abuse treatment, anger management, medical treatment, and access to other supportive services.

The Essential Services activity also assisted 145 homeless households access permanent housing by providing first month's rent (4) and security deposits (68) in addition to the transportation assistance described above.

The Department of Health and Human Services uses **Maintenance and Operations** funds to help offset utility costs at local emergency homeless shelters. The 2005 award will be combined with 2006 funds to go out to RFP in early 2006.

3.2.2 Homeless Prevention and Persons Served

Assessment of Relationship of ESG Funds to Goals and Objectives

- a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.*
- b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.*

Emergency Shelter Grant **Homeless Prevention** (HP) funds provided 50 rental arrearages and 17 utility arrearages.

Overall, during the reporting period for ES and HP funding assistance, 123 individuals were assisted in the ES category and 202 individuals were assisted in the HP category, for a total of 325 individuals. Over 7,221 individuals were provided transportation assistance, 325 households remained in permanent housing, 157 children were identified in the household, 38 beneficiaries were reported veterans, and 27 beneficiaries reported homelessness as a result of domestic violence. In addition, 7,769 telephone requests and 933 office visits were made inquiring for assistance for these federal dollars. For those who were not eligible, or when funds were no longer available, referrals to other agencies and triaging with the faith community was implemented.

3.2.3 Matching Resources

Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.

The Municipality of Anchorage is required to match, at a minimum, the ESG award for PY05, which is \$83,573. The DHHS exceeded this minimum match by providing staff salaries to administer and implement the use of ESG funds. The DHHS match exceeds the required minimum.

3.2.4 State Method of Distribution

States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.

This CAPER does not report on a State allocation of ESG funds, therefore, this section is not required.

3.2.5 Activity and Beneficiary Data

Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

Expenditures by ESG activity is shown below:

Table 3.3.5. Emergency Shelter Grant Funding by Activity

Category	Funds Available 12/31/2004	New 2005 Funding	Expended 2005	Remaining Balance 1/1/06
ESG-1. Homeless Prevention	6,892.06	25,072.00	31,747.60	216.46
ESG-2. Essential Services	14,971.81	25,072.00	38,292.04	1,751.77
ESG-3. Maintenance and Operations	53,079.66	29,250.00	61,976.92	20,352.74
ESG-4. Administration	4,277.53	4,179.00	8,455.53	1.00
Total	79,221.06	83,573.00	140,472.09	22,321.97

Expenditure data was collected through the Municipal PeopleSoft accounting software system based on actual expenditures during the program year. The Municipality's accounting system is audited every year and is highly reliable.

b. Homeless Discharge Coordination

- a. *As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.*
- b. *Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effect.*

ESG funds are extremely limited and are used to assist households and homeless facilities in preventing homelessness and in providing services to the homeless. Because of the small dollar amounts, these funds are not targeted exclusively to assist with discharge. However, other efforts

were employed to improve the discharge policy in Anchorage and in the State. During 2005, the State of Alaska completed its Plan on Homelessness. As a part of this, various state organizations focused on issues related to coordinating discharge of individuals from prison and from the Alaska Psychiatric Institute. As a result, the Alaska Mental Health Trust Authority has expanded its "Oxford House" program, which holds great promise to improve re-integration into the community after discharge. In addition the "housing first" model of the Ten Year Plan on Homelessness has lead to seeking ways to incorporate Municipality hosted development of a Ten-Year Plan on Homelessness, which identified coordinated eviction and admissions policies and common housing barrier assessments to be done upon discharge or first contact of any homeless or potentially homeless individual or family. ESG funds were not used directly in this effort, but staff working with the ESG program provided input into the plan and will continue to be an integral part of its implementation.

4. Community Development

4.1 Community Development Block Grant Program

4.1.1 Goals and Objectives

- a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.*
- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.*
- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate income persons.*

- a) A discussion of the use of CDBG funds in relation to the priorities, goals and objectives in the Consolidated Plan is included in section 1.2.1.
- b) Housing activity funded by the CDBG program included the Affordable Homeownership Program, the Minor Rehabilitation Program, and the Rental Rehabilitation Program. The Affordable Homeownership Program which Habitat for Humanity uses to purchase land for its homeownership projects, did not purchase additional land in 2005. However, development on land purchased in prior years began which is expected to result in 10-12 units in 2006. The Minor Repair Program completed 28 low/moderate income households, with 21 projects underway at the end of the year.
- c) Overall, 96.95% of CDBG funds drawn during the 2005 program year were for activities that directly benefit extremely low-, low-, and moderate-income person. The remaining was expended on the elimination of slum and blight, which also benefits many extremely low-, low-, and moderate-income persons.

4.1.2 Changes in Program Objectives

Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

Changes to the overall program in response to CDBG program performance are discussed in section 1.2.1.

4.1.3 Assessment of Efforts in Carrying out Planned Actions

a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

- a) The Municipality of Anchorage pursued all resources available through the Consolidated Plan, including ESG, HOME, and CDBG entitlement funds. In addition, the first Section 108 loan was approved by HUD in September, and closed in October of 2005. DoN also continued to fund the development of the Continuum of Care common "Exhibit 1" for organizations in the Municipality of Anchorage that applied for McKinney Act funds. Several match sources for the HOME program were employed, discussed in more detail in section 2.5.2. DoN also applied for and received funds to pursue a manufactured housing development through the private Innovations in Manufactured Housing (I'M HOME) grant resource.

b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

- b) The Municipality considered all requests for Certifications of Consistency with the Consolidated Plan on a fair and impartial basis. All were carefully evaluated and no requests were considered un-approvable. A list of all Certifications provided during the program year is provided below:

Certificates of Consistency for 2005

Date Issued	Applicant	Project	Program Applied For
April 27, 2005	Alaska AIDS Assistance Assoc.	6-plex Project	Supportive Housing Program (CoC)
June 21, 2005	Alaska Enfranchise Facilities, Inc.	"C" Street (Senior Housing 20-unit Complex)	Section 202, Capital Advance Housing for Elderly (\$3,733,128)
May 26, 2005	Alaska Housing Finance Corporation	Shelter Plus Care Housing	Shelter Plus Care Housing Program (\$25,416)
May 27, 2005	Alaska Housing Finance Corporation	Shelter Plus Care Housing	Shelter Plus Care Housing Program (\$135,084)
June 30, 2005	Alaska Housing Finance Corporation	Public Housing Neighborhood Networks	HUD
August 24, 2005	Alaska Technology Learning Center	Anchorage YouthBuild	YouthBuild (HUD) \$380,000
May 3, 2005	Anchorage Community Mental Health Services	Permanent Housing I Program	Supportive Housing Program (CoC)
May 3, 2005	Anchorage Community Mental Health Services	Transitional SRO Housing Program	Supportive Housing Program (CoC)
May 3, 2005	Anchorage Housing Initiatives	The Coming Home Project	Supportive Housing for Persons with Disabilities

Date Issued	Applicant	Project	Program Applied For
May 30, 2005	Anchorage Housing Initiatives	AASC Housing II	Section 811 Housing Project
February 28, 2005	Anchorage Neighborhood Housing Services	Housing Counseling/Financial Literacy	Neighborhood Reinvestment Housing Counseling
May 31, 2005	Consumer Credit Counseling Services of Alaska	Comprehensive Housing Counseling/Predatory Lending Counseling	Housing Counseling Program/Comprehensive Housing Counseling
October 10, 2005	Cook Inlet Housing Authority	Mountain View Village III	LIHTC
October 10, 2005	Cook Inlet Housing Authority	Creekside Village I	LIHTC
May 10, 2005	Covenant House Alaska	Rights of Passage	Supportive Housing Program (CoC)
April 27, 2005	MOA/DHHS/SAFE City/LINK Project	LINK Project Homelessness Management Information System	Supportive Housing Program, HMIS (CoC)
May 11, 2005	RuRAL Cap -- Community Bound	Community Bound	Supportive Housing Program (CoC)
May 11, 2005	RuRAL CAP -- Homeward Bound	Homeward Bound	Supportive Housing Program (CoC)

Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

- c) The Municipality of Anchorage followed the Citizen Participation Plan in all efforts to implement the Consolidated Plan.

4.1.4 For Funds Not Used for National Objectives

- a. *Indicate how use of CDBG funds did not meet national objectives.*
b. *Indicate how did not comply with overall benefit certification.*

All funds were used for national objectives, therefore, this section does not apply.

4.1.5 Anti-Displacement and Relocation

- a. *Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.*
b. *Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.*

c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

Cook Inlet Housing Authority neared completion with the Mountain View Village II project towards the end of 2005. To accomplish this project, several units were demolished and re-built. This resulted in a no-net-loss of affordable units, however some tenants were displaced. All owners received proper and timely notices informing them of the voluntary nature of the project. Cook Inlet Housing Authority was required by contract to provide all the proper notices to renters, and provided relocation assistance according to regulations implementing the URA and Section 104(d) of the Housing and Community Development Act of 1974. Compliance with these regulations will be presented in CIHA's closeout documentation expected in early 2006, and reported more fully in the 2006 CAPER.

4.1.6 Low/Mod Job Activities

For economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons.

- a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.*
- b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.*
- c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.*

Three projects active during the program year are expected to create new jobs; however, the job creation activity will be completed in future program years. Jobs created in these projects are presumed to benefit low- moderate-income persons due to their location, as allowed by regulation. These include the following:

- Museum of Natural History
- Mobile Trailer Supply
- Sadler's Warehouse

4.1.7 Low/Mod Limited Clientele Activities

For activities not falling within one of the categories of presumed limited clientele low and moderate income benefit.

Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

This section is not required during this program year.

4.1.8 CDBG Program Income Received

- a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g. housing rehabilitation, economic development, or other type of revolving fund.*
- b. Detail the amount repaid on each float-funded activity.*
- c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.*
- d. Detail the amount of income received from the sale of property by parcel.*

- a) The Municipality does not have a revolving loan fund. The revolving loan activity that was reported in 2003 was amended during 2004 to eliminate its revolving loan component. The interest earned on the revolving loan fund before it was changed will be applied, in 2005 to housing rehabilitation activities and is identified in b) below as the CIHA Rental Rehab Interest Payment.
- b) The table below identifies the CDBG program income reported for the 2005 program year.

CDBG Program Income Received 2005

Type of Income	Voucher Number	Amount
Capital Projects		
	155384-001	808
	155388-001	1,592.00
	168412-001	820
	168413-001	1,580.00
	181957-001	832
	181958-001	1,568.00
	<u>Subtotal</u>	<u>7,200.00</u>
Economic Development - Section 108 Loan Fees		
	184934-001	10,000.00
	<u>Subtotal</u>	<u>10,000.00</u>
Economic Deveopment - Elimination of Slum and Blight		
	156718-001	14,508.75
	177058-001	4,058.45
	177059-001	200
	177060-001	154
	177061-001	162
	177062-001	154
	177063-001	162
	184940-001	8527.97
	184048-001	17450
	<u>Subtotal</u>	<u>45,377.17</u>
Housing Rehabilitation - Loan Proceeds		
	158425-001	9,898.00
	158426-001	3,524.23
	164559-001	3,000.00
	164560-001	1,415.75
	168415-001	20,000.00
	168416-001	7,870.68
	172198-001	20,000.00
	172199-001	7,915.04
	177892-001	16,386.00
	177893-001	1,837.00
	177894-001	16,949.00
	177895-001	100
	181955-001	4,334.00
	181956-001	2,030.81
	177057-001	225
	184935-001	99,264.00
	184936-001	10,811.00
	194938-001	4,557.00
	<u>Subtotal</u>	<u>230,117.51</u>
Total		292,694.68

4.1.9 Prior Period Adjustments

Where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

- a. The activity name and number as shown in IDIS;*
- b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;*
- c. The amount returned to line-of –credit or program account; and,*
- d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.*

No expenditures were disallowed during the 2005 Program Year.

4.1.10 Loans and Other Receivables

- a. List the principal balance for each float –funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.*
- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.*
- c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.*
- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.*
- e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.*

- a) There were no float-funded activities during the reporting period.
- b) There are 125 loans made with CDBG funds that are outstanding as of 12/31/05 with a balance owed of \$1,809,614.17.
- c) There are no loans made with CDBG funds that are deferred or forgivable.
- d) There are no loans made with CDBG funding that have gone into default during 2005 for which the balance was forgiven or written-off.

- e) There are no properties owned by the grantee or subrecipients acquired or improved using CDBG funds that are available as of 12/31/2005.

4.1.11 Lump Sum Agreements

- a. Provide the name of the financial institution.*
- b. Provide the date the funds were deposited.*
- c. Provide the date the use of funds commenced.*
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.*

No lump sum activity occurred during 2005.

4.1.12 Housing Rehabilitation

For each type of rehabilitation program for which projects/units were reported as completed during the program year.

- a. Identify the type of program and number of projects/units completed for each program.*
- b. Provide the total CDBG funds involved in the program.*
- c. Detail other public and private funds involved in the project.*

The Minor Repair program is operated by both Anchorage Neighborhood Housing Services (through RFP) and the Department of Neighborhoods. The program provides assistance for increased accessibility or repairs to items presenting a threat to health or safety in owner-occupied homes (including mobile homes, condominiums, single-family homes, etc.).

Assistance was available to low- and moderate-income residents throughout the Municipality. All homes considered for assistance were occupied by owners with annual at or below the 80 percent of the area median income, as determined by HUD, adjusted for family size. Eligible households exhibiting the one or more of the following characteristics received preference under this program: emergency nature of repairs needed, families with at least one disabled occupant, senior citizens, and families with children ages five or younger.

Anchorage Neighborhood Housing Services (ANHS) completed 13 projects in 2005 under this program. \$175,216 of CDBG funds, and an additional \$20,414 in project delivery funds were expended.

The Department of Neighborhoods completed minor repairs on 15 units in 2005. In addition to this, at the end of 2005 DoN had an additional 21 units with work in progress and 3 units that were reopened for additional warranty work. \$334,115 of CDBG funds were utilized by DoN in 2005 for minor repair programs.

In addition to the above projects, additional units were rehabilitated through the Housing Acquisition and Rehab Program (HARP), the Homeowner Rehabilitation Program and the Mountain View Village II project, but are not counted as complete in 2005 because final paperwork had not been submitted during the program year. Some of these projects involved matching public funds these projects and associated matching funds will be reported on in the 2006 CAPER.

4.1.13 Mountain View Neighborhood Revitalization Strategy

For grantees that have HUD-approved NRS.

a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

In 2003 the Mountain View Neighborhood Revitalization Strategy (NRS) was constructed by the Community Development Division to assist in the planning and development of the Mountain View neighborhood. The plan was passed by the Anchorage Assembly in May of 2004 and implementation was begun. The strategy was not approved by HUD as an official NRS, however, Appendix 6 provides an overview of progress made during the 2005 program year.

4.2 Anti-Poverty Strategy

Describe actions taken during the last year to reduce the number of persons living below the poverty line.

Many agencies, including the Municipality, CIHA, ANHS, and Habitat for Humanity are involved in economic development and housing development/improvement activities with a concentration in the Mountain View Community Council area. Covenant House continued its job development activity with youth through a CDBG funded public service grant, which ended in December of 2005. A new public service project was awarded at the very end of 2005 to assist relocated victims of the Hurricane's Rita and Katrina to prevent them from remaining or sinking into poverty.

Because housing takes such a large share of a household's income living in poverty, housing programs targeted to low-income households is critical in this area. The housing programs discussed throughout this CAPER sponsored by AHFC, CIHA, ANHS, Habitat for Humanity and the Municipality of Anchorage help ease the housing burden on this population. CDBG funds played an increasing role in the Weatherization Program during 2005 as well, as the Weatherization program was run through the DoN. The expertise that came with the Weatherization Program has increased the ability of CDBG funds to play a role in decreasing the energy consumption of low income households, and therefore, the costs to them of keeping their homes warm.

Two new job creation projects were initiated during 2005, the Mobile Trailer Supply (CDBG grant and loan) and Sadler Warehouse (Section 108 loan guarantee and BEDI grant) projects. For both projects, acquisition of the sites occurred in late summer or fall. Job creation results are expected in 2006.

5. Non-Homeless Special Needs

5.1 Non-Homeless Special Needs

Identify actions taken to address special needs of persons that are not homeless but require supportive housing (including persons with HIV/AIDS and their families).

The first two downpayment assistance loans were closed which combined Alaska Mental Health Trust Authority funds with the HOME-funded AnCHOR program to beneficiaries of the AMHTA. Anchorage Housing Initiatives entered into a partnership with Anchorage Neighborhood Housing Services (ANHS) to construct the one remaining accessible homeownership unit for a household with members with disabilities required under the HOME-funded Homeowner Demonstration project. The Municipality also funded the Continuum of Care Exhibit 1 planning and grant writing process required to apply for supportive housing funds from HUD. Public service projects provided seniors with vision assessments and illiterate adults with special multi-sensory literacy training. The Minor Repair Program continues to offer assistance to families requiring accessibility improvements to their home or manufactured home.

5.2 Housing Opportunities for Persons with AIDS (HOPWA)

The Municipality of Anchorage is not a recipient of *HOPWA* funds.

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6. Other Narrative

Include any CAPER information that was not covered by narratives in any other section.

In the Fall of 2005, HUD issued several waivers related to serving victims of the Rita and Katrina hurricanes. Anchorage utilized these waivers to approve a case management program serving victims who relocate to the Anchorage area. The waivers used to approve this activity included a waiver on the time frame required for public comment (from 30 days to 3), and the waiver allowing public service activities to be excluded from the maximum percentage of public service commitments allowed in any given program year. This activity began at the very end of 2005 and will continue into 2006.

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