



U.S. Department of Housing and Urban Development
Anchorage Field Office
Office of Community Planning and Development
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Anchorage, AK 99503
<http://www.hud.gov/alaska>

January 31, 2011

The Honorable Sean Parnell
Governor, State of Alaska
Post Office Box 110001
Juneau, AK 99811-0001

Dear Governor Parnell:

Subject: 2009 Program Year Review Letter

HUD is obligated to determine on an annual basis that the state of Alaska (SOA) has a continuing capacity to implement and operate programs for which HUD assistance is received, primarily, the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and the Emergency Shelter Grant (ESG).

The Program Year Review Letter serves as the mechanism for HUD to communicate to the SOA and citizens the results of HUD's determinations for the program year. The following is HUD's analysis for the period, July 1, 2009 to June 30, 2010, designated as program year 2009 (PY09). PY09 represents the fifth year of the state's five-year Consolidated Housing & Community Development Plan for the State of Alaska 2006 – 2010 (Consolidated Plan).

Community Development Block Grant

The SOA's Department of Commerce, Community and Economic Development, Division of Community and Regional Affairs (DCRA), is charged with programmatic responsibility for the administration of the CDBG program. For PY09 the SOA received a CDBG allocation of \$2,867,778.

Performance measure reporting in PY09 indicates that CDBG funds were used for the purpose of creating a suitable living environment through the new construction or renovation of public facilities to benefit 3,486 low and moderate-income persons.

Emergency Shelter Grant

Beginning in PY09, the ESG program is now administered by the Alaska Housing Finance Corporation (AHFC). For PY09 the SOA received an ESG allocation of \$122,640. The PY09 ESG funds were distributed on a competitive basis to five agencies located in Juneau, Fairbanks, Kodiak, Kenai, and Bethel. During PY09 ESG funds provided assistance for homeless prevention, essential services, and shelter operation activities creating a suitable living environment for 3,801 persons.

HOME Investment Partnerships Program

The HOME allocation for the SOA is also administered by AHFC. The SOA received an allocation of \$3,003,199 in HOME funds for PY09. During PY09 the Greater Opportunities for Affordable Living program committed funding for the development of seven HOME assisted rental-housing units. The Homeownership Housing Development Program awarded funds for the development of eight HOME assisted single family homes. The Owner-Occupied Rehabilitation Program completed the rehabilitation of 11 units during the program year. The HOME Opportunity Program provided home-ownership assistance to 69 families during the program year. During PY09 HOME funds were also used to assist two households with Tenant Based Rental Assistance. HOME funded activities during PY09 will provide improved affordability and/or sustainability of decent housing for 91 low-income families.

Other HUD Programs

During PY09 the SOA received \$1,143,986 for the Homelessness Prevention and Rapid Re-Housing Program (HPRP), authorized under the American Recovery and Reinvestment Act of 2009 (ARRA). AHFC is the agency designated for administration of those funds. HPRP funding was awarded to 11 recipients across the state to provide financial assistance and services for the prevention of homelessness and to provide assistance to those experiencing homelessness to be rapidly re-housed and stabilized. Reporting on HPRP activities is done quarterly through the e-SNAPS system. HUD review of those reports and any related correspondence is handled under separate cover.

During PY09 the SOA received \$747,372 in Community Development Block Grant Recovery funding (CDBG-R). DCRA is the agency administering those funds for the SOA. The CDBG-R funds were awarded to the City of Fairbanks for a public facilities project. At the end of PY09 the project was underway, with the expected completion in early PY10.

AHFC continues to serve as Alaska's statewide public housing authority (PHA). For PY09 AHFC continued participation in the Moving to Work (MTW) demonstration program. The MTW demonstration is overseen by HUD through the Office of Public and Indian Housing. Full reporting and correspondence for MTW is handled under separate cover.

AHFC continues to lead the statewide Continuum of Care process. AHFC coordinated the development of the Continuum of Care element for applications from the "balance of state continuum" (excepting Anchorage) in the HUD 2009 homeless grant program competition. This resulted in award of \$669,436 in the 2009 competition. AHFC provided over \$1.3 million to entities that received 2009 HUD continuum of care funds statewide.

HUD Conclusion

The SOA has carried out its program substantially as described in its Consolidated Plan. The Consolidated Plan submission, as implemented, complies with the requirements of the Housing and Community Development Act of 1974, the Cranston-Gonzalez National Affordable Housing Act, and other applicable laws and regulations. The SOA has the continuing capacity to carry out the approved program.

In accordance with 24 CFR 91.525, this letter will be made available to the public by means of the HUD website at <http://www.hud.gov/local/ak/working/cpd/index.cfm>. Availability of the letter will be announced in the “highlights” section of the webpage, and an electronic copy will be found in the “library” section of the site that can be accessed by clicking on the link in the left hand column of the home page.

If you have any questions, please don't hesitate to contact Carma Reed, Director of Community Planning and Development, at (907) 677-9890.

Sincerely,

/s/

Colleen K. Bickford
Field Office Director

cc:

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