U.S. Department of Housing and Urban Development Region X – Anchorage Field Office Office of the Field Office Director 3000 C Street, Suite 401 Anchorage, AK 99503 http://www.hud.gov/local/index.cfm?state=ak http://www.hud.gov http://espanol.hud.gov/index.html

November 7, 2019

The Honorable Ethan Berkowitz Municipality of Anchorage Post Office Box 196650 Anchorage, AK 99519-6650

Dear Mayor Berkowitz:

Subject: 2018 Program Year Review Letter

HUD and the Municipality of Anchorage (MOA) continue to work in partnership to meet housing and community development needs of the people of Anchorage. A major responsibility for HUD in this partnership is to ensure that the MOA carries out its programmatic responsibilities in conformance with contractual agreements, its consolidated plan submission, and in compliance with the applicable statutes and federal regulations. We are also obligated to determine that the MOA has a continuing capacity to implement and operate programs for which HUD assistance is received, primarily, the Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), and the Emergency Solutions Grant Program (ESG).

The Program Year Review Letter serves as the mechanism for HUD to communicate to the MOA and citizens the results of HUD's determinations for the program year. The following is HUD's analysis for the period, January 1, 2018 to December 31, 2018, designated as program year 2018, (PY18). PY18 represents the first year of implementation of the 2018-2022 Housing and Community Development Consolidated Plan for the Municipality of Anchorage (Con Plan).

Community Development Block Grant (CDBG)

For PY18 the MOA was awarded \$1,726,068 in CDBG funds. The MOA reported that no program income funds were received during the program year. A total of \$1,163,163, which includes prior years CDBG funds and program income, were expended during the year.

The expenditure of CDBG funds supported a variety of activities including public facilities, mobile home repairs, and public services. The MOA expended \$151,251, which includes both CDBG and program income funds, for administration and planning costs.

Performance measure reporting in PY18 indicates that CDBG funds were used for the purpose of providing decent housing, by funding owner occupied mobile home repairs which addressed the needs of 17 LMI households.

HOME Investment Partnerships Program (HOME)

The MOA was awarded \$733,068 of HOME funds in PY18. The MOA reported the receipt of \$103,500 in program income. A total of \$346,213, which includes prior year funds and program income, were expended during the year. HOME funding was used for tenant-based rental assistance, and program administration. Performance measure reporting for PY18 indicates that the use of HOME funds improved housing affordability and availability by providing tenant-based rental assistance for 36 households.

Emergency Solutions Grant Program

The MOA was awarded \$145,198 of ESG funds for PY18. A total of \$24,646, which includes prior year funds, were expended during the year. Twelve households received homeless prevention funds, and 2 clients received rapid re-housing assistance. ESG match funds were used to assist 540 persons with utility payment assistance.

Other HUD Programs

In PY18 the MOA continued to partner with the Anchorage Coalition to End Homelessness (ACEH). The purpose of the ACEH is to bring the community together to address homeless issues. The ACEH is the collaborative applicant for the Continuum of Care (CoC) applications from Anchorage non-profit organizations in HUD's homeless grant program competition. Anchorage CoC applicants received awards totaling \$3,112,658 in the federal fiscal year 2018 competition. In addition, the United Way of Anchorage continues to implement a \$1.3 million Pay for Success Permanent Supportive Housing grant that will provide funding in Anchorage and the Matanuska-Susitna Borough to address homelessness and reduces recidivism among those released from the criminal justice system.

HUD Conclusion

For PY18, the MOA directly received a total of \$2,604,334 in federal funds from HUD for housing and community development activities. This investment in the MOA has resulted in the creation and preservation of affordable housing, benefited existing homeowners, renters, homeless persons, and persons with special needs. In addition, the MOA continues working towards removal of impediments to fair housing. Based on HUD's review of the MOA's performance administering the CDBG, HOME, and ESG programs during PY18, the following determinations have been made:

The MOA has carried out its program substantially as described in its ConPlan:

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 MOA has the continuing capacity to carry out the approved program in a timely manner.

In accordance with 24 CFR 91.525, this letter will be made available to the public by means of the HUD website at <u>https://www.hud.gov/states/alaska/working/cpd</u>. Availability of the letter will be announced in the "highlights" section of the home page, and an electronic copy can be accessed by clicking on the "Municipality of Anchorage" review letter link on the webpage.

If you have any questions regarding this letter, 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: Natasha M. Pineda, Director Anchorage Health Department

Nicole Lebo Human Services Division Manager Anchorage Health Department