



U.S. Department of Housing and Urban Development
Anchorage Field Office
Office of Community Planning and Development
3000 C Street, Suite 401
Anchorage, AK 99503
<http://www.hud.gov/alaska>

January 24, 2024

The Honorable Michael J. Dunleavy
Governor, State of Alaska
Post Office Box 110001
Juneau, AK 99811-0001

Subject: 2022 Program Year Review Letter

Dear Governor Dunleavy:

HUD is required by federal regulations to review, on an annual basis, the performance of each jurisdiction that receives grant funding through the consolidated plan process. Pursuant to title 24 of the code of federal regulations part 91.525(b), this letter serves as HUD's written performance report.

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), Housing Trust Fund (HTF), and the Emergency Solutions 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, 2022, to June 30, 2023, designated as program year 2022 (PY22). PY22 was the third year of the State's five-year Consolidated Housing & Community Development Plan that covers the State fiscal years 2021 – 2025 (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 PY22 the SOA received a CDBG allocation of \$2,696,239. The SOA reports it awarded CDBG funds to seven communities in PY22. Those CDBG funds will be used to create a suitable living environment, for low and moderate-income persons through targeted community development and planning activities. The SOA reports benefit to 19,140 low and moderate-income persons for CDBG projects completed during the program year.

Community Development Block Grant – CV

The SOA's funding under the Coronavirus Aid, Relief and Economic Security (CARES) Act, (CDBG-CV) is also administered by DCRA. A total of \$6,190,522 in CDBG-CV funds were allocated to the SOA. Through PY22 the SOA reports obligations of \$3,838,523.96 in CDBG-CV funds. Those funds have been obligated to five communities, that will benefit 2,255 low and moderate-income persons. To date \$1,963,153.14 in CDBG-CV funds have been expended. The SOA is encouraged to obligate the remaining \$2,351,998.04 in CDBG-CV funds and to expend all the CDBG-CV grant funds prior to the six-year expenditure deadline for CDBG-CV funds, which for the SOA occurs on 6/18/2026.

Emergency Solutions Grant

The ESG program is administered by the Alaska Housing Finance Corporation (AHFC). For PY22 the SOA received an ESG allocation of \$281,402. These ESG funds were distributed to five agencies located in Juneau, Fairbanks, Kodiak and Wasilla. During PY22 ESG funds provided homeless prevention, rapid re-housing and shelter support that resulted in 921 persons being assisted.

Emergency Solutions Grant – CV

The SOA's ESG funding under the CARES Act (ESG-CV) is also administered by AHFC. The SOA received \$5,056,709 in ESG-CV funding. ESG-CV funds have provided funding for 17 projects serving 1,755 households. To date \$5,056,709 in ESG-CV funds have been expended. Full reporting for ESG-CV is done quarterly in the Sage HMIS Reporting Repository.

HOME Investment Partnerships Program

The HOME allocation for the SOA is also administered by AHFC. The SOA received an allocation of \$3,000,039 in HOME funds for PY22. During PY22, using HOME funds, the SOA reports rental housing development, homebuyer assistance and rental assistance for 72 households, providing improved affordability and/or sustainability of decent housing.

HOME – American Rescue Plan (HOME-ARP)

The SOA's funding allocation under the American Rescue Plan Act of 2021 is administered by AHFC. A total of \$4,983,462 in HOME-ARP funds were allocated to the SOA. HOME-ARP funds were distributed to two projects for the production of 12 HOME-ARP funded permanent supportive housing units. To date \$4,676,250.84 in HOME-ARP funds have been expended.

Housing Trust Fund

During PY22 the SOA received an allocation of \$2,982,433 under the Housing Trust Fund. AHFC was designated as the agency to administer those funds. During PY22 using HTF funds, 4 projects were complete, providing assistance for 14 new HTF units.

Other HUD Programs

AHFC continues to serve as Alaska's statewide public housing authority (PHA). For PY22 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.

HUD Conclusion

The SOA directly received a total of \$8,960,112 in federal funds from HUD for housing and community development activities in PY22. This investment in Alaska has resulted in the creation and preservation of affordable housing and addressed community development needs, first time home buyers, homeless persons, and persons with special needs. Based on HUD's review of the SOA's performance in the CDBG, HOME, HTF, and ESG programs during PY22, the following determinations have been made:

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 <https://www.hud.gov/states/alaska/working/cpd> . An electronic copy of the letter can be accessed by clicking on the "State of Alaska" review letter link on the webpage

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/

J. Chad Stovall
Field Office Director

cc:

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