



**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 14, 2013

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

Dear Governor Parnell:

Subject: 2011 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 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, 2011 to June 30, 2012, designated as program year 2011 (PY11). PY11 is the second year of the state's latest five-year Consolidated Housing & Community Development Plan that covers the state fiscal years 2011 – 2015 (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 PY11 the SOA received a CDBG allocation of \$2,632,897.

Performance measure reporting in PY11 indicates that CDBG funds were used to create a suitable living environment, through the new construction or renovation of public facilities, to the benefit of 2,472 low and moderate-income persons.

### **Emergency Solutions Grant**

The ESG program is administered by the Alaska Housing Finance Corporation (AHFC). For PY11 the SOA received in total an ESG allocation of \$198,058. The ESG allocation was distributed in two installments, the first being \$126,757 and the second \$71,301. It is noted that

the second ESG allocation was awarded to the SOA at the end of PY11 and will be reported on in the 2012 program year consolidated annual performance report.

The PY11 ESG funds (first allocation) were distributed on a competitive basis to six agencies located in Juneau, Fairbanks, Kodiak, Kenai, Bethel and Ketchikan. During PY11 ESG funds provided shelter support that resulted in 1,219 persons being sheltered.

### **HOME Investment Partnerships Program**

The HOME allocation for the SOA is also administered by AHFC. The SOA received an allocation of \$3,001,118 in HOME funds for PY11. During PY11 the Greater Opportunities for Affordable Living program committed funding for the development of a HOME assisted rental-housing project (eight units). The Homeownership Housing Development Program awarded funds for the development of 13 HOME assisted single family homes. The Owner-Occupied Rehabilitation Program completed the rehabilitation of seven units during the program year. The HOME Opportunity Program provided home-ownership assistance to 36 families during the program year. During PY11 HOME funds were also used to assist 54 households with Tenant Based Rental Assistance. HOME funded activities during PY11 will provide improved affordability and/or sustainability of decent housing for 105 low and moderate- income families.

### **Other HUD Programs**

AHFC continues to serve as Alaska's statewide public housing authority (PHA). For PY11 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 2011 homeless continuum of care grant competition. This resulted in award of \$767,646 in the 2011 competition. AHFC provided over \$1.19 million in matching grants to entities that received 2011 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/

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