

April 14, 2016

The Honorable Governor Bill Walker  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Walker,

We are pleased to present to you observations and recommendations resulting from the housing summit you held on the University of Alaska campus in Anchorage on January 6, 2016. Your leadership has brought a statewide focus to housing at all levels not previously embraced. We thank you and your staff for their focus, as well as nearly 300 participants from every region of the state who enthusiastically contributed expertise and experience and whose comments are captured in the attached reports.

Alaska Housing Finance Corporation (AHFC) is proud of our role as the state's public housing authority, an offeror of mortgage products and supporter of energy efficient and quality construction. We are aware of the opportunities that can arise when talking with a broader group of people, and we look forward to rolling up our sleeves and getting to work on many of the recommendations that are included in the reports that were authored by subject matter experts and facilitators.

At your direction, areas of focus at the summit include:

- Housing Affordability in Rural Alaska;
- Reducing Recidivism through Housing;
- Innovative Funding and Financing Options for Housing;
- Incentivizing Private Sector Housing Investments;
- Alaskans Experiencing Homelessness;
- Senior Housing;
- Veteran Homelessness; and
- State Building Codes and Energy Efficiency Standards.

Each report highlights areas of opportunity that, at your direction going into the summit, are to be revenue neutral (or strategic investments with costs offset elsewhere in the budget). One of the benefits of the summit itself was the convening of diverse interests from across Alaska and the opportunity to discuss shared issues and find solutions. Housing leaders from Bethel interacted with leaders from Barrow and Juneau to share "lessons learned" and that shared knowledge will likely result in time or cost savings for future projects. We've heard lots of anecdotal evidence that those conversations continue. As a recent example, March 11-13, 2016, Cold Climate Housing Research Center (CCHRC) hosted a Housing Sustainability forum that attracted a large number of Alaskans, as well as participants from Canada. The conference focused on a holistic approach to addressing sustainability.



We'll keep you informed as we hear other stories about successes and unusual challenges. We also look forward to working with your Administration on prioritizing those recommendations that you believe are of the greatest impact.

While much work was accomplished the day of the summit and the time that has followed, we have been asked to spotlight where collaboration in housing is done well. As Alaskans involved in this sector, we have a lot for which we are proud. Alaskan leaders have for decades contributed funding to care for those who are homeless, and they have made financing available in rural areas that national agencies simply don't understand. For example, every year it takes an act of Congress to allow USDA Rural Development and AHFC to finance homes that use cisterns.

Alaskans understand our unique challenges and we are best positioned to tackle them in this austere fiscal environment. CCHRC leads the nation in building science and construction standards for more energy efficient homes. Covenant House has a facility for young adults who find themselves in the most trying and difficult situations on our streets. Our agency has the flexibility to respond to critical unmet housing needs for veterans and Alaskans with disabilities. Regional housing authorities are the mainstay of the housing delivery system in rural Alaska, managing \$98 million in federal funds that flow into the state.

All of the examples cited above are widely known. Here are a few more that speak directly to the collaboration between agencies that support many thousands of Alaskans who we know are still struggling in one way or another with their housing:

- Through the auspices of your Alaska Council on the Homeless, many agencies (Department of Corrections, Department of Health & Social Services (DHSS), Department of Education and Early Development, Department of Public Safety, Alaska Mental Health Trust Authority) support Alaskans through existing partnerships with AHFC. Here are just a few some examples of those partnerships:
  - Empowering Choice – Nearly 250 families are served through the Alaska Network on Domestic Violence and Sexual Assault, and the Council on Domestic Violence and Sexual Assault. Local shelters serve victims and recommend a voucher for their clients in need.
  - Re-entry – Fifty housing vouchers are available for people transitioning from a correctional institution to the private rental market. Department of Corrections (DOC) probation officers work with clients before they leave the jail system. Recipients are accountable to DOC. The rate of recidivism has dropped dramatically, and other states look to Alaska as a model because of our success.
  - Youth Aging Out of Foster Care – Twenty housing vouchers are available through the Office of Children's Services for young Alaskans transitioning from foster care to the private rental market. Youth participate in an independent living program which builds life skills and encourages continuing education.

- Moving Home and Section 811 – People with disabilities who are transitioning from homelessness or an institutional setting can access one of 150 housing vouchers through a referral from Department of Health & Social Services (DHSS). A recent federal Section 811 Housing & Urban Development (HUD) award will allow this partnership to help as many as 200 more households. Supportive services foster improved health, stabilize housing, and increase self-sufficiency and self-determination.
- Veterans Affairs Supportive Housing Program – Alaskans are proud of our members of the military. This program is a partnership with the U.S. Department of Veterans Affairs to provide housing vouchers to chronically homeless veterans who accept case management tailored for their needs. Nearly 250 vouchers support this program, and the VA continues to award more to AHFC because of its successful record.
- In total each year, more than \$36 million flows to private apartments in 12 communities because of the federally funded Housing Choice Voucher program (Housing Assistance Payments). If all vouchers and AHFC’s public housing are added together, housing is provided to 10,000 Alaskans each night. This program leverages Alaskans in the private rental market who provide housing without large capital investments by state or local government.

In addition to partnerships related to support services and operations, Alaskans continue to build new housing:

- Collaboration with AHFC headlined the story at Ridgeline Terrace where 70 units opened in Anchorage’s Mountain View neighborhood. Cook Inlet Housing Authority, the Rasmuson Foundation, Key Bank Development Corporation, and Wells Fargo all played vital roles. The Rasmuson Foundation funded a portion of the Jewel Jones Community Center that includes the only current daycare provider in the neighborhood, thanks to a partnership with Kids Corp.
- Through collaboration with CCHRC, the building industry and banking community, the housing stock is more sustainable in Alaska than it ever has been. Higher energy standards, cost containment, better technology and a willingness to “figure things out” have produced measureable energy savings and construction cost efficiencies.
- Working with the lending community, both for-profit and non-profit, a steady stream of mortgage financing is available to insure that Alaskans can purchase a home regardless of changing economic times, particularly for low-moderate income families and veterans.
- Greater coordination between funding agencies is ongoing and has produced greater efficiencies in the award and management of housing resources: In the past several years, the Municipality of Anchorage (Special Needs Housing Grant Program), Alaska DHSS (HUD 811 Program), Alaska Mental Health Trust Authority (Special Needs Housing Grant and Homeless Assistance program), and the Rasmuson Foundation (Teacher, Health Professional,

Public Safety Program, Senior Housing) have coordinated funding streams, making it easier for organization to access funding.

Thank you for the opportunity to write about the successes that the ongoing collaboration of your cabinet agencies and the private and non-profit sectors are achieving – and we've only hit highlights!

What follows this letter are the individual subgroup recommendation reports from the Housing Summit sessions. We welcome your continuing feedback and the opportunity to work together to ensure that all Alaskans understand that “opportunity begins with a home.”

Sincerely,



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Alaska Housing Finance Corporation