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Description of document: **Records located at the U.S. Department of Housing and Urban Development (HUD) Anchorage Alaska Field Office regarding correspondence between the HUD Anchorage Alaska Field Office and Sarah Palin in various capacities and the offices of those capacities, July 2007 - September, 2008**

Requested date: 05-September-2008

Released date: 02-October-2008

Posted date: 22-October-2008

Date/date range of document: 01-July-2007 – 13-August-2008

Source of document: U.S. Department of Housing and Urban Development
Region X
Regional Lead
Seattle Federal Office Building
909 First Avenue, Suite 200
Seattle, WA 98104-1000
Phone: (206) 220-5101

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U.S. Department of Housing and Urban Development
Office of the Regional Director

October 2, 2008

Subject: Freedom of Information Act Request
Control Number 08-FI-ROX-01716

This is in response to your Freedom of Information Act request dated September 5, 2008, and received in the HUD Seattle Regional Office on September 11, 2008, in which you ask for copies of records located at the HUD Anchorage Alaska Field Office regarding correspondence between the HUD Anchorage Alaska Field Office and:

1. *Mayor Sarah Palin or the Office of the Mayor of Wasilla, Alaska between 1998 and 2002.*

A search of the HUD Anchorage Alaska Field Office's records by knowledgeable staff did not find any responsive documents in relation to this portion of your request.

2. *The City Council of Wasilla, Alaska between 1998 and 2002;*

A search of the HUD Anchorage Alaska Field Office's records by knowledgeable staff did not find any responsive documents in relation to this portion of your request.

3. *Chairman Sarah Palin of the Alaska Oil and Gas Conservation Commission between 2003 and 2004;*

A search of the HUD Anchorage Alaska Field Office's records by knowledgeable staff did not find any responsive documents in relation to this portion of your request.

4. *Governor Sarah Palin or the Office of the Governor of Alaska between January 1, 2007 and the present.*

A search of the HUD Anchorage Alaska Field Office's records by knowledgeable staff found the following responsive documents in relation to this portion of your request:

- August 13, 2008 letter to Governor Palin regarding grant awards and action plan approval
- January 10, 2008 letter to Governor Palin regarding 2006 program year review
- July 18, 2007 letter to Governor Palin regarding grant awards and action plan approval
- April 26, 2007 letter to Governor Palin regarding 2005 program year review
- September 26, 2007 letter to Governor Palin regarding NAHASDA

Copies of the responsive documents are enclosed. No responsive records have been withheld. Please note when responding to a FOIA request, HUD searches for responsive documents existing up to the date the request was received by the FOIA officer; your request was received on September 11, 2008.

The provision of these materials does not exceed the regulatory minimum charges for duplication and search and/or review time; therefore no fees are being assessed in connection with this request.

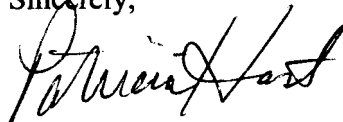
You are advised that pursuant to federal law, an agency's determination that it has no records, which are responsive to a FOIA request, constitutes an adverse determination under the Freedom of Information Act, at 5 U.S.C. (a)(6)(A)(i). Accordingly, you may appeal this determination within 30 days from the date of this letter. Your appeal must include copies of your original request and this response, as well as a statement of the facts and legal arguments supporting disclosure. The letter and the envelope should be plainly marked to indicate that it contains a "FOIA appeal". Should you desire to appeal, your request should be mailed to:

**Assistant General Counsel for Procurement and Administrative Law
U.S. Department of Housing and Urban Development (HUD)
Freedom of Information Act Appeal
451 Seventh Street, SW Room 10180
Washington, DC 20410-0500
Telephone: 202-708-0622**

In accordance with 5 U.S.C. 552(a)(6)(C), please be advised that I am the official responsible for this determination. If you have any questions, please contact me at Patricia.Huster@hud.gov.

For your information, your FOIA request, including your identity and any information made available, is releasable to the public under subsequent FOIA requests. In responding to these requests, the Department does not release personal privacy information, such as home addresses, telephone numbers, or social security numbers, all of which are protected from disclosure pursuant to FOIA Exemption 6, 5 U.S.C. §552(b)(6) and 24 C.F.R. §15.3(a)(6).

Sincerely,



Patricia Huster
Regional FOIA Liaison Officer

Enclosures



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>

August 13, 2008

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

Subject: **Grant Awards and Action Plan Approval**
Community Development Block Grant (CDBG)
HOME Investment Partnerships Program (HOME)
American Dream Downpayment Initiative (ADDI)
Emergency Shelter Grant (ESG)

Dear Governor Palin:

The Department of Housing and Urban Development has completed its review of the State of Alaska's State Fiscal Year 2009 (program year 2008) Annual Action Plan (Action Plan) and has found that it meets the legal requirements for approval. The 2008 Action Plan represents the fourth year of implementation of the State's 2006-2010 Housing and Community Development Consolidated Plan and is the mechanism through which the subject grants are funded each year.

You will find enclosed the grant agreements (three copies) for the programs covered by the Action Plan: CDBG, HOME, ADDI, and ESG. There is a set of documents for each grant program (ADDI is included on the HOME agreement) including additional certifications for ESG. Please execute all three copies of each of the three grant agreements, fully execute the ESG certifications, then return all documents to us. We will return one set of fully executed agreements to you by return mail.

Sincerely,

A handwritten signature in black ink, reading "Carma E. Reed".

Carma E. Reed
Acting Field Office Director

Enclosures:

FILE COPY

cc:

Daniel R. Fauske, Chief Executive Officer
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Emil Notti, Commissioner
Department of Commerce, Community and Economic Development
State of Alaska
Post Office Box 110800
Juneau, AK 99811-0800

Mark Romick, Director
Planning and Program Development
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Lona Hammer, Planner/HCD Coordinator
Planning and Program Development
Alaska Housing Finance Corporation

Tara Jolie, Director
Division of Community Advocacy
Department of Commerce, Community and Economic Development
550 W. 7th Avenue, Suite 1770
Anchorage, AK 99501-3510

Jill Davis, Grants Manager
Department of Community and Economic Development
Division of Community Advocacy-Grants Section
211 Cushman Street, Suite 401
Fairbanks, AK 99701

Internal HUD Distribution:						
File Copy						
Reading File						
Fund Assignment Log						
bcc:Colleen K. Bickford, Field Office Director Anchorage Field Office, OCM						
Identification Lines:						
KDavis:ca 8/15/08 (907) 9894						
J:\FORMULA GRANT PROGRAMS\STATE OF ALASKA (SOA)\ESG\SOA FY08 Grant Award and Action Plan Approval.doc						
Correspondence Code	Originator 0CD	Concurrence Acting FOD	Concurrence	Concurrence	Concurrence	Concurrence
Name	Davis <i>MD</i>	Reed				
Date	<i>8/22/08</i>					

Official Record Copy

U.S. Department of Housing and Urban Development

Form HUD-713.1 (2/03)

Previous edition obsolete

Funding Approval/Agreement


Title I of the Housing and Community
Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) State of Alaska	3. Grantee's 9-digit Tax ID Number 92-6001185	4. Date use of funds may begin (mm/dd/yyyy) 07/01/2008
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) State Capitol P.O. Box 110001 Juneau, AK 99811-0001	5a. Project/Grant No. 1 B-08DC-02-0001	6a. Amount Approved \$2,506,211
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Community Planning and Development	Grantee Name State of Alaska		
Title Director	Title Governor		
Signature 	Signature	Date (mm/dd/yyyy) 08/13/2008	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input checked="" type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 05/20/2008 9b. Date Grantee Notified (mm/dd/yyyy) 08/13/2008 9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2008	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
	11. Amount of Community Development Block Grant a. Funds Reserved for this Grantee b. Funds now being Approved c. Reservation to be Cancelled (11a minus 11b)		

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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GRANT NO.: S - 08 – DC –02-0001
Official Contact Person: Jill Davis
Telephone No: (907) 451-2744
FAX: (907) 451-2742
E-mail Address: jill.davis@alaska.gov
Tax ID No: 92-6001185
Unit of Government No: 020100

FY 2008 STATE

GRANT AGREEMENT

EMERGENCY SHELTER GRANTS PROGRAM

This Grant Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and the grantee, the state of Alaska for a FY 2008 Emergency Shelter Grants award in the amount of \$121,740. The award, which is the subject of this Agreement, is authorized by Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, 42 *USC* 11301 (1988), as amended (the "Act"). The grant is further subject to HUD's regulations at 24 *CFR* Part 576, as now in effect and as may be amended from time to time, which are incorporated as part of this Agreement.

Also incorporated as part of this Agreement are the Consolidated Plan and the certifications submitted to the Secretary by the applicant. The grantee further certifies that it is following a Consolidated Plan which has been approved by HUD.

In reliance upon the Consolidated Plan and certifications, the Secretary agrees, upon execution of the Grant Agreement, to provide the grantee for distribution to local governments and nonprofit organizations within the state, grant funds in the amount provided in the HUD award letter which constitutes a part of this Agreement.

The grantee agrees to comply with all applicable laws and regulations in distributing funds provided under this Grant Agreement and to accept responsibility for ensuring compliance by local government and nonprofit organizations to which it makes funding assistance hereunder available. This includes the requirements of 24 *CFR* 576.25(b)(2) requiring state governments to obtain the approval of local governments in order to fund new projects of private nonprofit organizations located in that local government.


The grantee agrees to comply with requirements for record keeping and annual performance reporting to HUD within 90 days after the close of its consolidated program year, as required by 24 *CFR* 91.520. If appropriate, this includes the periodic information collected through HUD's Integrated Disbursements and Information System (IDIS). The grantee agrees to follow HUD standards for participation, data and reporting under a local HMIS, as published in the July 30, Federal Register notice (69 FR 45888) as clarified by an October 19, 2004, Federal Register notice (69 FR 61517) on domestic

violence shelter participation. The grantee's annual reporting must include information on grant activities, project sponsors, project sites, and beneficiaries (including racial and ethnic data on participants). State grantees must also report program match in sufficient detail so as to identify the specific sources and amounts of the funds as required by 42 USC 11375(a)(1). This information will be used for program monitoring and evaluation purposes.

The grantee further agrees to comply with the provisions of the environmental requirements of 24 CFR Part 58, made applicable by 24 CFR 576.57, with respect to funds provided under this Grant Agreement.

The following parties execute this Grant Agreement on the dates set forth below as follows:

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By: 
Signature Date 8/13/08
Printed name: Carma E. Reed
Title: Director Community Planning and Development

GRANTEE

By: _____
Signature Date
Printed name: Sarah Palin
Title: Governor

STATE GRANTEE
EMERGENCY SHELTER GRANTS PROGRAM

FY 2008 CERTIFICATIONS

I, Sarah Palin, Governor, authorized to act on behalf of the State of Alaska, certify that the State will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Shelter Grants Program with:

Major rehabilitation/conversion -- In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major (i.e. renovation), the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services and Operating Costs -- Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Building Standards -- Any building for which emergency shelter grant amounts are used for conversion, major rehabilitation, rehabilitation, or renovation must meet local government safety and sanitation standards.

Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance for such individuals.

Matching Funds -- It will supplement the assistance provided under this program with an amount of funds from other sources equal to the difference between the amount received and \$100,000. The first \$100,000 of any assistance provided to a State is not required to be matched but the benefit of the unmatched amount must be shared with local governments, agencies and nonprofit organizations receiving assistance from the grant that are least capable of providing the State with such matching amounts. The grantee shall insert in the space provided below a description of the sources and amounts of supplemental funds:

--

Confidentiality -- It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

Consolidated Plan -- Activities undertaken by a recipient with assistance under this program are consistent with a current HUD-approved Consolidated Plan or Comprehensive Housing Affordability Strategy (CHAS).

Discharge Policy -- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under state law, and that the state possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.

By:

Signature

Date

Printed name: Sarah Palin

Title: Governor

**Funding Approval and HOME
Investment Partnerships Agreement**
Title II of the National Affordable Housing Act

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(Exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

1. Participant Name and Address State of Alaska P.O. Box 110001 Juneau, AK 99811-00016650	2. Participant Number M08-SG020100
	3. Tax Identification Number 92-6001185
	4. Appropriation Number see #18 below
	5. FY (yyyy) 2008


6. Previous Obligation (Enter "0" for initial FY allocation)	\$
a. Formula Funds	\$
b. Community Housing Development Org. (CHDO) Competitive	\$

7. Current Transaction (+ or -)	\$ 3,011,684
a. Formula Funds	\$ 3,011,684
1. CHDO (For deobligations only)	\$
2. Non- CHDO (For deobligations only)	\$
b. CHDO Competitive Reallocation or Deobligation (see #18 below)	\$

8. Revised Obligation	\$
a. Formula Funds	\$
b. CHDO Competitive Reallocation	\$

9. Special Conditions (check applicable box) <input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Attached	10. Date of Obligation (Congressional Release Date) (mm/dd/yyyy) 08 / 13 / 2008
--	--

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

11. For the U.S. Department of HUD (Name and Title of Authorized Official) Carma E. Reed, Director	12. Signature 	13. Date 08 / 13 / 2008
14. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official) Sarah Palin, Governor	15. Signature	16. Date / /

17. Check one:

☒ Initial Agreement

☐ Amendment # _____

18. Funding Information:

Source of Funds	Appropriation Code	PAS Code	Amount
FY 2008 ADDI	868/00205	HMC	\$11,684
FY 2008 HOME	868/00205	HMC	\$3,000,000
			\$

CHDO Competitive Reallocation

Source of Funds	Appropriation Code	PAS Code	Amount
			\$
			\$



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>

January 10, 2008

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

Subject: Housing and Community Development Final 2006 Program Year Review Letter

Dear Governor Palin:

HUD and the state of Alaska (SOA) continue to work in partnership to meet the housing and community development needs of the people of Alaska. In light of our partnership, I commend your recent efforts to include \$10,000,000 in funding authority for the new Alaska Housing Trust. I encourage you to continue to seek resources to fully fund that authorization. I also look forward to working with you and your staff over the next several months to share how HUD's investments, more than \$212 million over the past year, contribute to this partnership¹.

In addition, a major responsibility of HUD is to ensure that the SOA carries out its programmatic responsibilities in conformance with contractual agreements, its Housing and Community Development Consolidated Plan submission, and in compliance with the applicable statutes. HUD is obligated to determine that the SOA has a continuing capacity to implement and operate programs for which HUD assistance is received. This letter primarily addresses three of those programs: 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, 2006 to June 30, 2007, designated as program year 2006 (PY06). PY06 represents the second 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 Advocacy (DCA), is charged with programmatic responsibility for the administration of the CDBG program. Typically the DCA distributes the CDBG funds by means of an annual solicitation of project proposals from eligible local governments. For PY06 the state received a CDBG allocation of \$2,548,827.

¹ Including FFY07 allocations in Alaska for programs funded through HUD's offices of Public Housing, Native American Programs, Multi-Family Housing, University Programs, and Community Planning and Development.

A total of five projects were awarded CDBG grant funds under the PY06 annual competition, total grant funds awarded was \$1,242,898. In PY06 \$500,000 in CDBG funds were awarded to supplement the Owner-Occupied Rehabilitation Program (ORP), a program component of the SOA's HOME allocation administered by the Alaska Housing Finance Corporation (AHFC). An additional \$500,000 in CDBG funds was reserved for additional ORP funding, with an expected grant agreement and utilization of those funds in program year 2007.

At the end of PY06 the CDBG funds accumulated in the SOA's account exceeded three times its annual allocation of CDBG funds. This has been an issue of concern for a number of years. A standard of two and a half times a grantee's annual allocation is under consideration by Congress for legislation as the mandatory limit of funds accumulated by state CDBG grantees. If imposed, grantees with funds over this amount would be at risk of losing CDBG funds that are not drawn and expended.

It should be noted, however, that the state has taken steps to increase the rate of expenditure of CDBG funds. Namely, the focus of \$1 million of CDBG funds for housing rehabilitation, and increasing the amount of CDBG funds an eligible applicant may apply for to \$850,000 up from the previous limit of \$500,000. In addition, the state has been more consistent on the frequency of the draw down of CDBG funds from the Integrated Disbursement and Information System (IDIS). These actions have contributed to the state having drawn down 1.79 times its annual allocation of CDBG funds in PY06, which was the highest rate of expenditure of CDBG among state CDBG grantees in the nation.

I commend the state for its actions to address this issue. I encourage you to maintain timeliness of expenditure as one of your highest priorities in the administration of the state's CDBG program. You can expect HUD staff to follow up with DCA on a regular basis to offer any assistance needed to sustain the improvement seen in 2007.

Emergency Shelter Grant

The ESG program is also administered by the DCA. For PY06 the SOA received an ESG allocation of \$119,463. The PY06 ESG funds were divided among six agencies located in Kodiak, Unalaska, Fairbanks, Kenai, Ketchikan, and Juneau. These funds provided assistance for homeless prevention, direct emergency services, and shelter facility operation activities.

HOME Investment Partnerships Program

The HOME allocation for the SOA is administered by AHFC. The state received an allocation of \$3,030,308 in HOME funds for PY06. During PY06 the Greater Opportunities for Affordable Living program awarded \$2,351,229 in HOME funds for rental housing development. The ORP resulted in the rehabilitation of 18 units and the HOME Opportunity Program provided home-ownership assistance to 30 families during the program year. AHFC provided two Community Housing Development Organizations with operating expense assistance grants during PY06 as well.

Other HUD Programs

AHFC successfully competed in HUD's Federal Fiscal Year 2006 Community Development Technical Assistance Grant Program competition. This resulted in awards totaling \$60,000 to AHFC for the fiscal year. Accordingly, AHFC continues to serve as the technical assistance provider for the entire state under three program-related categories: The HOME Investment Partnerships Program, assistance to Community Housing Development Organizations, and HUD's Homeless Assistance grant programs.

AHFC also continues to serve as Alaska's statewide public housing agency. AHFC reports that in PY06 funding continued for 1,783 non-metropolitan Section 8 Certificates and Vouchers.

AHFC continues to lead the initiative in 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 2006 homeless grant program competition. The balance of state Continuum of Care applicants received awards that totaled \$437,608 in the 2006 competition.

Fair Housing and Equal Opportunity

At this time I would like to reiterate the issue raised by HUD's Office of Fair Housing and Equal Opportunity, referenced in HUD's July 18, 2007, Action Plan approval letter to the state, regarding certain provisions in Alaska's Landlord Tenant Laws. The state is hereby notified that if the relevant issue(s) are not addressed during this current program year (program year 2007), HUD may not be able to accept the state's certification to affirmatively further fair housing in the subsequent year. I would like to also emphasize that such a determination may jeopardize the State's receipt of HOME, CDBG and ESG funds in the future, which totaled nearly \$5.7 million in PY06. As SOA makes progress on resolving this issue over the coming year (which will likely involve a statute change), I invite you also to consider what changes to the state law might allow the state to achieve parity with federal fair housing laws. If SOA's laws are "substantially equivalent" to federal laws, SOA could seek additional funds for fair housing enforcement and education. Fair Housing staff in my office are available to assist in this effort on request.

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,

**Original Signed by
Colleen Bickford**

Colleen K. Bickford
Field Office Director

cc:

Daniel R. Fauske, Chief Executive Officer
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Emil Notti, Commissioner
Department of Commerce, Community and Economic Development
PO Box 110800
Juneau, AK 99811-0800

Michael Black, Deputy Commissioner
Department of Commerce, Community and Economic Development
PO Box 110800
Juneau, AK 99811-0800

Tara Jollie, Director
Division of Community Advocacy
Department of Commerce, Community & Economic Development
550 W. 7th Avenue, Suite 1770
Anchorage, AK 99501-3510

Mark Romick, Director
Planning and Program Development
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Julie Kozlowski, Planner/HCD Coordinator
 Planning and Program Development
 Alaska Housing Finance Corporation
 P.O. Box 101020
 Anchorage, AK 99510-1020

Jo E. Grove, Grants Manager
 Department of Community
 and Economic Development
 Division of Community Advocacy-Grants Section
 211 Cushman Street, Suite 401
 Fairbanks, AK 99701

Internal HUD Distribution:						
File Copy						
Reading File						
2006 Fund Assignment Log File						
Electronic Copy to :ONAP,MF,FHEO,PH						
Identification Lines:						
0CD:Davis:kwd 12-28-07 907-677-9894 J:\0cd\State of Alaska\2006 Final Program Year Review Letter SOA Final						
Revised by REED : CED 1-10-08						
Correspondence Code	Originator 0cd	Concurrence 0cd	Concurrence	Concurrence	Concurrence	Concurrence
Name	Davis <i>KS</i>	Reed <i>CR</i>				
Date	<i>1-10-08</i>	<i>1/11/08</i>				

Official Record Copy

Previous edition is obsolete.

U.S. Department of Housing and Urban Development

form HUD-713.1 (02/03)



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

July 18, 2007

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

Subject: **Grant Awards and Action Plan Approval**
Community Development Block Grant (CDBG)
HOME Investment Partnerships Program (HOME)
American Dream Downpayment Initiative (ADDI)
Emergency Shelter Grant (ESG)

Dear Governor Palin:

The Department of Housing and Urban Development has completed its review of the State of Alaska's State Fiscal Year 2008 (program year 2007) Annual Action Plan (Action Plan) and has found that it meets the legal requirements for approval. The 2007 Action Plan represents the third year of implementation of the state's 2006-2010 Housing and Community Development Consolidated Plan and is the mechanism through which the subject grants are funded each year.

You will find enclosed the grant agreements (three copies) for the programs covered by the Action Plan: CDBG, HOME, ADDI, and ESG. There is a set of documents for each grant program (ADDI is included on the HOME agreement) including additional certifications for ESG. Please execute all three copies of each of the three grant agreements, and fully execute the ESG certifications then return all documents to us. We will return one set of fully executed agreements to you by return mail.

At this time we would like to bring to your attention an issue raised by HUD's Office of Fair Housing and Equal Opportunity, that could affect HUD's future acceptance of the State of Alaska's certifications to affirmatively further fair housing and compliance with anti-discrimination laws. The following observation was noted and could lead to a potentially serious concern.

In a review of the State of Alaska Statutes, it was observed, and therefore noted as a potential concern, that the State's Landlord Tenant Law, as delivered in the Alaska Statutes at AS.34.03.060 *Sublease and Assignment*, can be potentially interpreted to allow familial status discrimination under the provisions of AS 34.03.060(d)(3). Such provision not only appears to allow, but may appear to propose that the landlord "may refuse consent to a sublease" on the "reasonable grounds" of the "number of persons under 18 years of age in the household". Such provision may be deemed contrary to federal regulations and laws, as note more specifically under the Fair Housing Act as amended.

Ocd:Davis:kwk J:\ocd\formula grants\state of Alaska\SOA 07 Action Plan Approval letter
Ocd/Davis

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7/18/07

Please be advised that, by referencing this one state law issue, we do not mean to imply that there are no other potential conflicts between state law and the Fair Housing Act.

HUD appreciates the efforts the State of Alaska has taken to identify impediments to fair housing in the Analysis of Impediments to Fair Housing Choice, and the measures identified that the State will take to address those impediments during the program year. We look forward to the State's actions during the program year to eliminate fair housing impediments.

Sincerely,

**Original Signed by
Colleen Bickford**

Colleen K. Bickford
Field Office Director

Enclosures

cc:

Daniel R. Fauske, Chief Executive Officer
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Emil Notti, Commissioner
Department of Commerce, Community and Economic Development
State of Alaska
Post Office Box 110800
Juneau, AK 99811-0800

Mark Romick, Director
Planning and Program Development
Alaska Housing Finance Corporation
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Planning and Program Development
Alaska Housing Finance Corporation

Mike Black, Director
Division of Community Advocacy
Department of Commerce, Community and Economic Development
550 W. 7th Avenue, Suite 1770
Anchorage, AK 99501-3510

Jo E. Grove, Grants Manager
Department of Community and Economic Development
Division of Community Advocacy-Grants Section
211 Cushman Street, Suite 401
Fairbanks, AK 99701

bcc:
Colleen K. Bickford, Field Office Director
Anchorage Field Office, OCM

Funding Approval/Agreement

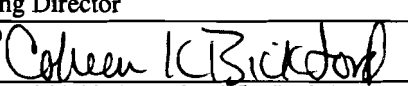
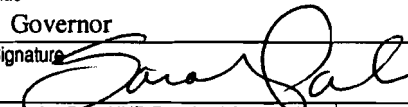
Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) State of Alaska	3. Grantee's 9-digit Tax ID Number 92-6001185	4. Date use of funds may begin (mm/dd/yyyy) 07/01/2007
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) State Capitol P.O. Box 110001 Juneau, AK 99811-0001	5a. Project/Grant No. 1 B-07-DC-02-0001	6a. Amount Approved \$2,566,247
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Community Planning and Development		Grantee Name State of Alaska	
Title Acting Director		Title Governor	
Signature 		Signature 	
Date (mm/dd/yyyy) 07/18/2007		Date (mm/dd/yyyy) 08/22/2007	
7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input checked="" type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantees, Sec 108		8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	
		9a. Date HUD Received Submission (mm/dd/yyyy) 05/10/2007 9b. Date Grantee Notified (mm/dd/yyyy) 07/18/2007 9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2007	
		10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number	
11. Amount of Community Development Block Grant			
		FY ()	FY ()
a. Funds Reserved for this Grantee			\$2,566,247
b. Funds now being Approved			\$2,566,247
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of the HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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Grant No.: S-07-DC-02-0001

Official Contact Person: Jo E. Grove

Telephone No: (907)451-2744

FAX: (907)451-2742

E-mail Address: jo_grove@commerce.state.ak.us

Tax ID No: 92-6001185

Unit of Government No: 020100

FY 2007 STATE

GRANT AGREEMENT

EMERGENCY SHELTER GRANTS PROGRAM

This Grant Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and the grantee, the State of Alaska, for a FY 2007 Emergency Shelter Grants award in the amount of \$121,006. The award, which is the subject of this Agreement, is authorized by Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act, 42 *USC* 11301 (1988), as amended (the "Act"). The grant is further subject to the HUD's regulations at 24 *CFR* Part 576, as now in effect and as may be amended from time to time, which are incorporated as part of this Agreement.

Also incorporated as part of this Agreement are the Consolidated Plan and the certifications submitted to the Secretary by the applicant. The grantee further certifies that it is following a Consolidated Plan which has been approved by HUD.

In reliance upon the Consolidated Plan and certifications, the Secretary agrees, upon execution of the Grant Agreement, to provide the grantee for distribution to local governments and nonprofit organizations within the state, grant funds in the amount provided in the HUD award letter which constitutes a part of this Agreement.

The grantee agrees to comply with all applicable laws and regulations in distributing funds provided under this Grant Agreement and to accept responsibility for ensuring compliance by local government and nonprofit organizations to which it makes funding assistance hereunder available. This includes the requirements of 24 *CFR* 576.25(b)(2) requiring state governments to obtain the approval of local governments in order to fund new projects of private nonprofit organizations located in that local government.

The grantee agrees to comply with requirements for record keeping and annual performance reporting to HUD within 90 days after the close of its consolidated program year, as required by 24 *CFR* 91.520. If appropriate, this includes the periodic information collected through HUD's Integrated Disbursements and Information System (IDIS). The grantee's annual reporting must include information on grant activities, project sponsors, project sites, and beneficiaries (including racial and ethnic data on participants). State grantees must also report program match in sufficient detail so as to identify the specific sources and amounts of the funds as required by 42 *USC* 11375(a)(1). This information will be used for program monitoring and evaluation purposes.

The grantee further agrees to comply with the provisions of the environmental requirements of 24 *CFR* Part 58 as applicable under 24 *CFR* 576.57 with respect to funds provided under this Grant Agreement.

The following parties execute this Grant Agreement on the dates set forth below as follows:

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By: Colleen K Bickford 7/18/07
Signature and Date

Colleen K. Bickford
Typed or Written Name of Signatory

Acting Director
Title

GRANTEE

By: Sarah Palin 8/22/07
Signature and Date

Sarah Palin
Typed or Written Name of Signatory

Governor
Title

STATE GRANTEE
EMERGENCY SHELTER GRANTS PROGRAM
FY 2007 CERTIFICATIONS

I, Sarah Palin, Governor, authorized to act on behalf of the State of Alaska, certify that the State will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Shelter Grants Program with:

Major rehabilitation/conversion -- In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major, the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services and Operating Costs -- Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Building Standards -- Any building for which emergency shelter grant amounts are used for conversion, major rehabilitation, rehabilitation, or renovation must meet local government safety and sanitation standards.

Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance for such individuals.

Matching Funds -- It will supplement the assistance provided under this program with an equal amount of funds from other sources. The first \$100,000 of any assistance provided to a State is not required to be matched but the benefit of the unmatched amount must be shared with local governments, agencies and nonprofit organizations that are least capable of providing the State with such matching amounts. The grantee shall insert in the space provided below a description of the sources and amounts of supplemental funds:

--

Confidentiality -- It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

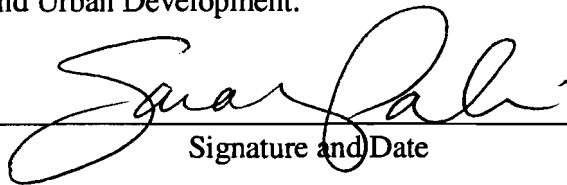
Consolidated Plan -- Activities undertaken by a recipient with assistance under this program are consistent with a current HUD-approved Consolidated Plan or CHAS.

Discharge Policy -- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

HMIS -- It will comply with HUD's standards for participation in a local Homeless Management Information System and the collection and reporting of client information.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under state law, and that the state possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.

By:



8/22/07

Signature and Date

Sarah Palin

Typed Name of Signatory

Governor

Title

Funding Approval and HOME Investment Partnership Agreement

Title II of the National Affordable Housing Act

U.S. Department of Housing and Urban Development
Office of Community Planning and Development



OMB Approval No. 2506-0171
(Exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

1. Participant Name and Address State of Alaska P.O. Box 110001 Juneau, AK 99811-00016650		2. Participant Number M07-SG020100	
		3. Tax Identification Number 92-6001185	
		4. Appropriation Number see #18 below	
		5. FY (yyyy) 2007	
6. Previous Obligation (Enter "0" for initial FY allocation)			\$
a. Formula Funds		\$	
b. Community Housing Development Org. (CHDO) Competitive		\$	
7. Current Transaction (+ or -)			\$ 3,028,919
a. Formula Funds		\$ 3,028,919	
1. CHDO (For deobligations only)		\$	
2. Non- CHDO (For deobligations only)		\$	
b. CHDO Competitive Reallocation or Deobligation (see #18 below)		\$	
8. Revised Obligation			\$
a. Formula Funds		\$	
b. CHDO Competitive Reallocation		\$	
9. Special Conditions (check applicable box) <input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Attached		10. Date of Obligation (Congressional Release Date) (mm/dd/yyyy) 07 / 18 / 2007	

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

11. For the U.S. Department of HUD (Name and Title of Authorized Official) Colleen K. Bickford, Acting Director	12. Signature 	13. Date 07 / 18 / 2007
14. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official) Sarah Palin, Governor	15. Signature 	16. Date 08 / 22 / 2007

17. Check one:

☒ Initial Agreement

☐ Amendment # _____

18. Funding Information:

Source of Funds	Appropriation Code	PAS Code	Amount
FY 2007 ADDI	867/90205	HMC	\$28,919
FY 2007 HOME	867/90205	HMC	\$3,000,000
			\$

CHDO Competitive Reallocation

Source of Funds	Appropriation Code	PAS Code	Amount
			\$
			\$



U.S. Department of Housing and Urban Development
Anchorage Field Office
Community Planning & Development Division
3000 C Street, Suite 401
Anchorage, AK 99503
<http://www.hud.gov/local/index.cfm?state=ak>
<http://www.hud.gov/index.html>
<http://espanol.hud.gov/index.html>

April 26, 2007

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

Dear Governor Palin:

Subject: Final Program Year Review Letter for Program Year 2005

HUD and the State of Alaska (SOA) continue to work in partnership to meet the housing and community development needs of the people of Alaska. A major responsibility for HUD in this partnership is to ensure that the SOA carries out its programmatic responsibilities in conformance with contractual agreements, its consolidated plan submission, and in compliance with the applicable statutes. We are also obligated to determine that the 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, 2005 to June 30, 2006, designated as program year 2005, (PY05). PY05 represents the first 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 Advocacy (DCA), is charged with programmatic responsibility for the administration of the CDBG program. Typically the DCA distributes the CDBG funds by means of an annual solicitation of project proposals from eligible local governments. For PY05 the state received a CDBG allocation of \$2,968,000.

Grant awards under the PY05 annual competition were announced in March 2006. A total of four projects were awarded for a total of \$1,183,959. A second round of solicitation for PY05 was held in May 2006; actual grant awards are expected to occur in 2007 and will total approximately \$1.5 million. In PY05 \$500,000 in CDBG funds were awarded to supplement the owner-occupied rehabilitation program (ORP), a program component of the SOA's HOME allocation administered by the Alaska Housing Finance Corporation (AHFC).

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4/26/07

4/26/07

4-26-07

At the end of PY05, the amount of CDBG funds accumulated in the SOA's account again exceeded two and half times its annual allocation as measured at the end of an annual funding cycle. This has been a concern for a number of years because the two and a half times measure is a standard that is under consideration by Congress for legislation to establish a mandatory limit to funds accumulated by state CDBG grantees. If imposed, grantees with funds over this amount would be at risk of losing CDBG funds not drawn and expended in a timely manner. The SOA's continued attention to this matter must remain among its highest priorities.

Emergency Shelter Grant

The ESG program is also administered by the DCA. For PY05 the SOA received an ESG allocation of \$119,198. The PY05 ESG funds were divided among five agencies located in Kodiak, Sitka, Unalaska, Fairbanks, and Juneau. These funds provided assistance for homeless prevention, direct emergency services, and shelter facility operation activities.

HOME Investment Partnerships Program

The HOME allocation for the SOA is administered by AHFC. The state received an allocation of \$3,057,955 in HOME funds for PY05. During PY05 the Greater Opportunities for Affordable Living program leveraged \$1,335,697 in HOME funds with approximately \$8.8 million in other development funds for rental housing development. This is expected to result in the creation of 33 affordable rental units. The ORP resulted in the rehabilitation of 12 units and the HOME Opportunity Program provided home-ownership assistance to 21 families during the program year. AHFC provided four Community Housing Development Organizations with operating expense assistance grants during PY05 as well.

Other HUD Programs

AHFC successfully competed in HUD's Federal Fiscal Year 2005 Community Development Technical Assistance Grant Program competition. This resulted in awards totaling \$130,000 to AHFC for the fiscal year. Accordingly, AHFC continues to serve as the technical assistance provider for the entire state under four program-related categories: the Community Development Block Grant Program, the HOME Investment Partnerships Program, assistance to Community Housing Development Organizations, and HUD's Homeless Assistance grant programs.

AHFC also continues to serve as Alaska's statewide public housing agency. AHFC reports that in PY05 funding continued for 1,740 non-metropolitan Section 8 Certificates and Vouchers.

AHFC continues to lead the initiative in 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 2005 homeless grant program competition. The balance of state Continuum of Care applicants received awards that totaled \$402,605 in the 2005 competition.

Funding and Beneficiary Summary

In PY05 the SOA received a total of \$1,043,940,756 in federal funds and guarantees. This investment worked to empower people and communities throughout the SOA. Renters, existing homeowners, first time homebuyers, homeless persons, and persons with special needs were among those served.

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 Anchorage Field Office website at <http://www.hud.gov/local/index.cfm?state=ak>. Availability of the letter will be announced in the “highlights” section of the home page, 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 Andrew Gus Smith, Director of Community Planning and Development, at (907) 677-9890.

Sincerely,

**Original Signed by
Colleen Bickford**

Colleen K. Bickford
Field Office Director

cc:

Daniel R. Fauske, Chief Executive Officer
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510-1020

Emil Notti, Commissioner
Department of Commerce, Community and Economic Development
State of Alaska
Post Office Box 110800
Juneau, AK 99811-0800

Mark Romick, Director
Planning and Program Development
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and Economic Development
Division of Community Advocacy-Grants Section
211 Cushman Street, Suite 401
Fairbanks, AK 99701



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>
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SEP 26 2007

Governor Sarah Palin
State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

The Honorable Governor Palin,

The Department of Housing and Urban Development, Office of Native American Programs (ONAP), provides funding to Federally Recognized Tribes in the State of Alaska under the Native American and Self Determination Action (NAHASDA). Many of the communities receiving the benefit of NAHASDA funding are within an organized borough or city government. However, the Alaska State Department of Commerce, Community and Economic Development (DCCED) indicates there are approximately 150 communities that are not in any organized borough or city government under state law.

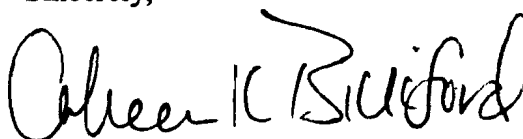
As a matter of Federal law and regulations, NAHASDA requires the recipients to obtain a local cooperation agreement when developing rental units or providing units under a lease-purchase homeownership agreement. The cooperation agreements should be with the borough and/or local city government that has jurisdiction where the units are located. Under the Alaska Constitution, it appears the Legislature is the governing assembly for the unorganized borough in the State. As such, it is our belief that a cooperation agreement is needed with the State of Alaska for the communities in the unorganized borough. Rather than attempt to negotiate an agreement for approximately 150 communities scattered around the State, Alaska ONAP is proposing to expedite development of a cooperation agreement with the State to minimize the disruption of development activities funded under NAHASDA. Once an acceptable agreement is reached, ONAP will coordinate with NAHASDA recipients to seek their execution of the cooperation agreement for the individual communities they serve with NAHASDA funds as their acceptance of the agreement.

A cooperation agreement needs to address two basic issues. The first, an exemption from taxation for those rental or homeownership units that remain in the ownership of the Tribe or their Tribally Designated Housing Entity (TDHE) needs to be provided. The second is to delineate the services the local government would provide to the housing developed by the Tribe or their TDHE. We believe this agreement would not have to be extensive since the communities in the unincorporated borough do not pay taxes and only enjoy services for which the Legislature has appropriated funding for those services.

We are requesting your direction to work with the appropriate staff within DCCED to develop a cooperation agreement that all parties can accept. To expedite the process, we have enclosed a Draft Cooperation Agreement as a means to begin this discussion. Once we reach an acceptable draft document, we will report to you for further consideration and processing.

My staff and I look forward to working with the appropriate State agencies and you in resolving this issue so additional housing can be brought to the rural residents of our State. Should you or your staff have questions please call me at 677-9800 or Wayne Mundy at 677-9860. We appreciate your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen Bickford". The signature is fluid and cursive, with the first name "Colleen" and last name "Bickford" clearly distinguishable.

Colleen Bickford
Field Office Director

Enclosure

Cc: Emil Notti, Commissioner, Department of Commerce, 500 West 7th Avenue, Suite 1770,
Anchorage, AK 99501
Michael Black, Deputy Commissioner, Department of Commerce, 500 West 7th Avenue,
Suite 1770, Anchorage, AK 99501

DRAFT Cooperation Agreement - EXHIBIT #1 DRAFT

Aleutian Housing Authority for the following communities:

Atka

St. George

By: _____ Date: _____

Other Recipients in the AHA area:

The Native Village of St. Paul for the following community:

St. Paul

By: _____ Date: _____

AVCP Housing Authority for the following communities:

Akiak

Alakanuk

Algaaciq (St. Mary's)

Andreafski

Bill Moore's Slough

Calista

Cheformak

Chuathbaluk

Chuloonawick

Crooked Creek

Eek

Georgetown

Hamilton

Hooper Bay

Other Recipients in the AVCPRHA area:

The Native Village of Akiachak for the following community:

Akiachak

By: _____ Date: _____

The Native Village of Aniak for the following community:

Aniak

By: _____ Date: _____

The Native Village of Asa'Carsarmiut for the following community:

Asa'Carsarmiut Tribe (Mountain Village)

By: _____ Date: _____

The Native Village of Atmautluak for the following community:

Atmautluak

By: _____ Date: _____

The Native Village of Chevak for the following community:

Chevak

By: _____ Date: _____

The Native Village of Emmonak for the following community:

Emmonak

By: _____ Date: _____

The Native Village of Pilot Station for the following community:

Pilot Station

By: _____ Date: _____

The Native Village of Sleetmute for the following community:

Sleetmute

By: _____ Date: _____

The Native Village of Tuluksak for the following community:

Tuluksak

By: _____ Date: _____

Bering Straits Regional Housing Authority

for the following communities:

Brevig Mission

Chinik (Golovin)

Council

Diomedes (Inalik)

Elim

Gambell

King Island

Koyuk

Mary's Igloo

Savoonga

Shaktoolik

Shishmaref

Solomon

Ekwok
Kanatak
Koliganek
Manokotak
Naknek
New Stuyahok
Portage Creek
Togiak
Twin Hills

By: _____ Date: _____



Copper River Housing Authority for the following communities:

Cheesh-Na (Chistochina)
Chitina
Gakona
Gulkana
Kluti-Kaah (Copper Center)
Mentasta
Tazlina

By: _____ Date: _____



Interior Regional Housing Authority for the following communities:

Alatna
Allakaket
Beaver
Birch Creek
Circle

The Native Village of Arctic Village for the following community:

Arctic Village

By: _____ Date: _____

The Native Village of Chalkyitsik for the following community:

Chalkyitsik

By: _____ Date: _____

The Native Village of Fort Yukon for the following community:

Fort Yukon

By: _____ Date: _____

The Native Village of Galena for the following community:

Galena (Louden Village)

By: _____ Date: _____

The Native Village of Nulato for the following community:

Nulato

By: _____ Date: _____

The Native Village of Rampart for the following community:

Rampart

By: _____ Date: _____

North Pacific Rim Housing Authority for the following communities:

Chenega

Tatitlek

By: _____ Date: _____

Other Recipients in the NPRHA area:

The Native Village of Eyak for the following community:

Cordova (outside of City boundaries)

By: _____ Date: _____

**Tlingit Halda Regional Housing Authority
for the following communities:**

Angoon

Craig

Kake

Kasaan

Klawock

Petersburg

Wrangell

By: _____ Date: _____

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COOPERATION AGREEMENT

This agreement entered into this _____ day of _____, 20____, by and between the Communities located within the Unorganized Borough of the State of Alaska, and identified, by their authorized signatures thereto, in Exhibit 1, (herein after the "Recipients"), and State of Alaska (hereinafter called the "Local Governing Body").

Title 29, Chapter 03, Section 29.03.010, of the Alaska Statutes provides that the areas of the State of Alaska that are not within the boundaries of an organized borough constitute a single unorganized borough (herein after the "Unorganized Borough "). The purpose of this agreement is to provide the Recipients, which are Communities within the Unorganized Borough of the State of Alaska, a means to comply with Section 101(c) of the Native American Housing and Self Determination Act of 1996, 25 U.S.C. § 4111(c). Section 101(c) of the Native American Housing and Self Determination Act of 1996 prohibits the use of grant amounts for rental or lease-purchase homeownership units owned by the Recipients unless the governing body of the locality within which the property subject to the development activities to be assisted with the grant amounts is or will be situated has entered into an agreement with the Recipients providing for local cooperation. Article X, Section 6, of the Constitution of Alaska grants to the legislature the authority to "exercise any power or function in an unorganized borough which the assembly may exercise in an organized borough." Accordingly, the U.S. Department of Housing and Urban Development, Office of Native American Programs, has determined that the Alaska State Legislature is the "local governing body" with which the Recipients are to enter into a cooperation agreement, pursuant to Section 101(c) of the Native American Housing and Self Determination Act of 1996. Instead of the Recipients entering into numerous separate agreements with the Local Governing Body, the Recipients, by their authorized signatures to Exhibit 1, which is incorporated herein, and the Local Governing Body desire to enter into a single agreement and, in consideration of the mutual covenants hereinafter set forth, the parties do hereby agree as follows:

1. Whenever used in this agreement the term "project(s)" shall mean any property previously or hereafter developed or acquired by the Recipients with financial assistance of the United States of America, acting by and through the Secretary of the Department of Housing and Urban Development (hereinafter called the "Government"), and under the Native American Housing Assistance and Self Determination Act of 1996.
2. While the Recipients identified in Exhibit 1 are all located within the Unorganized Borough, only those Recipients that have memorialized their agreement hereto by authorized signature on Exhibit 1 are subject to the terms of this agreement. Similarly, the Local Governing Body is only obligated, by the terms of this agreement, to those Recipients that have so memorialized their agreement hereto by authorized signature on Exhibit 1, on or before the date of this agreement. Those Recipients identified in Exhibit 1 that have not, on or before the date of this agreement, memorialized their agreement hereto by authorized signature may petition the Local Governing Body to execute this

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agreement at a later date as an Addendum to Exhibit 1. Unless otherwise provided in such Addendum, the execution this agreement by Addendum shall have the effect of making the parties subject to the terms of this agreement as of the date of this agreement.

3. The Recipients shall, from time to time, endeavor to secure funding from the Government for the cost to develop, acquire and/or administer one or more low-income housing project(s) as rental or lease-purchase homeownership units. The project(s) is/are located within the jurisdictional limits of the Local Governing Body. The obligations of the parties hereto shall apply to each such project and any future project(s), and all the units therein, within the jurisdictional limits of the Local Governing Body as those jurisdictional limits are delineated on the date of this agreement and hereafter may be modified.

4. Pursuant to this agreement, all such project(s) within the jurisdictional limits of the Local Governing Body are exempt from all real and personal property taxes and special assessments levied or imposed by the Local Governing Body. So long as such project(s) is/are owned by the Recipients and is/are used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body agrees that it will not levy or impose any real or personal property taxes or special assessments upon such project(s) or upon the Recipients with respect thereto as required by Section 101(d) of the Native American Housing and Self Determination Act of 1996, 25 U.S.C. § 4111(d).

5. During such period in which the project(s) is exempt from all real and personal property taxes and special assessments levied or imposed by the Local Governing Body, the Recipients and Local Governing Body agree that the Recipients will not be required to pay any user fees or Payments in Lieu of Taxes (PILOT) instead of taxes or special assessments in payment for public services and facilities furnished from time to time without other cost or charge to such project(s).

6. The Local Governing Body agrees that no lien against any project(s) or assets of the Recipients shall attach, nor shall any interest or penalties accrue or attach on account thereof, for the failure to make such payments of user fees or PILOT.

7. During the period commencing with the date of the acquisition of any part of the site or sites of any project(s) and continuing so long as such project(s) is/are owned by the Recipients and used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body, without cost or charge to the Recipients or the tenants of such project(s), shall furnish or cause to be furnished to the Recipients and the tenants of such project(s) any and all public services, facilities and infrastructure of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants within the Local Governing Body's jurisdictional limits.

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8. With respect to any project(s) the Local Governing Body further agrees it shall:
- a) Accept grants of easements necessary for the development of such project(s); and
 - b) Cooperate with the Recipients by such other lawful action or ways as the Local Governing Body and the Recipients may find necessary in conjunction with the development and administration of such project(s).
9. This agreement shall not be abrogated, changed, or modified without the consent of both the Local Governing Body and the Recipients, except as follows:
- a) At such time when a portion or portions of the Unorganized Borough area become an Incorporated Borough, City, Municipality or other political subdivision of the State under State law, this agreement, with respect to the affected Recipients and the Local Governing Body shall extinguish and the affected Recipients shall execute a new Cooperation Agreement(s) with the relevant local governing body of the new political subdivision.
 - b) In accordance with Paragraph 2, those Recipients, identified in Exhibit 1 that have not memorialized their agreement hereto by authorized signature, petition the Local Governing Body to execute this agreement at a later date as an Addendum to Exhibit 1.
 - c) This agreement may be amended by Addendum from time to time to reflect changes in Recipients serving differing communities than set forth in the original Exhibit 1 to this agreement. Such Addendum shall be executed by only a representative from the affected community, the affected Recipient and the Local Governing Body and will become effective on the date of such execution.
 - b) The privileges and obligations of the Recipients and the Local Governing Body hereunder shall remain in full force and effect with respect to each project so long as the Recipients holds title to such project. However, if at any time the title to, or possession of, any project(s) is held by a public body or governmental agency, including the Government, the provisions hereto shall inure to the benefit of and may be enforced by such public body or governmental agency, including the Government, as a successor in interest, without the need to amend this agreement.

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IN WITNESS WHEREOF, the Local Governing Body and the Recipients have respectively signed as evidenced hereunder and by Exhibit 1 of this agreement as of the day and year first above written.

(SEAL)

(State Of Alaska, Local Governing Body)

By: _____
(Title)

Attest:

(Title)