

**AHFC Anchorage Rental Reallocation and Dispersal Program**

**FY2007 Request: \$1,000,000**  
**Reference No: 41601**

**AP/AL:** Appropriation **Project Type:** Renewal and Replacement  
**Category:** Housing/Social Services  
**Location:** Anchorage Areawide **Contact:** Les Campbell  
**House District:** Anchorage Areawide (HD 17-32) **Contact Phone:** (907)330-8356  
**Estimated Project Dates:** 07/01/2006 - 06/30/2011

**Brief Summary and Statement of Need:**

Corporate (AHFC) funds to reduce or replace old housing stock with alternative rental opportunities. These funds will be used to ready the units that will not be replaced, i.e. for disposal, demolition, or for sales. AHFC will apply for Housing Choice Vouchers on a one-for-one replacement.

<b>Funding:</b>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>Total</u>
AHFC Div	\$1,000,000						\$1,000,000
<b>Total:</b>	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$1,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

New Project

**Project Description/Justification:**

The purpose of this project is to provide funding for the disposition, demolition or sale of buildings in Anchorage that are not cost effective to operate, maintain and/or renovate.

The projected outcomes are to:

- Replace old housing stock with alternative housing opportunities;
- Reduce operating and maintenance costs.

Anchorage Rental Reallocation and Dispersal Program – utilizes Corporate (AHFC) funds to reduce or replace old housing stock with alternative rental opportunities. These funds will be used to ready the units that will not be replaced, i.e. for disposal, demolition, or for sale. AHFC will apply for Housing Choice Vouchers on a one-for-one replacement.

**Funding History:**

This is a new project.

**Program Description:**

AHFC has also received notification from HUD that federal subsidies will be reduced substantially, so AHFC must be able to market units that will provide more tenant income and require less rental subsidy. In this effort, AHFC has decided to reduce its low rent housing stock in order to reduce operating and maintenance costs.

Units from all developments in the Anchorage area will also be considered in this reduction effort if they have reached or are close to reaching the end of their useful lives. These funds will be used to ready the units for disposal, demolition, or

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for sale. AHFC plans to apply for Housing Choice Vouchers on a one for one replacement or research other possible alternatives when appropriate.

The **Central Terrace Development** consists of 99 units of scattered properties located throughout the Anchorage bowl. The units consist of 82 two-bedrooms and 17 three-bedrooms. The units were acquired by AHFC in 1981, and were not new at the time. Some required extensive renovation prior to occupancy. Most of these units are over 30 years old, which exceeds even HUD's modernization standards. Over the past 23 years, the units have received only routine maintenance and emergency repairs as needed. No major renovation has ever been done.

In 2002, a professional site assessment was performed to evaluate code deficiencies and investigate the condition of the architectural, mechanical, electrical, plumbing, and fire (life safety) systems. The buildings consist of 24 four-plexes and one tri-plex. The site assessment recommended replacement or renovation on various units; however, the buildings are at the end of their useful life. The incidence of leaking roofs has increased dramatically. Maintenance staff is completing repairs on an emergency basis.

Significant electrical, mechanical, and plumbing deficiencies are identified throughout the buildings. The foundations are leaking, the windows are in extremely poor condition, the doors have air leaks, the boiler stacks are inadequate, railing heights are out of code, roofs and attics are leaking, interior walls are not fire-code rated, floor coverings need replacement, ceilings contain asbestos, stairwells have problems, kitchens and bathrooms are beyond their normal life.

The **Fairmount Development** consists of 69 scattered properties were built before February 1969. These units have received routine maintenance over the past 36 years, but have reached the end of their useful life.

In 1997, a professional site assessment was completed to address physical condition, 30-year life expectancy, code compliance, the Americans with Disability Act (ADA) requirements, energy efficiency and life-safety issues. This site assessment was updated in June 2002. The site assessment recommends a specific list of conditions which need replacing such as old roofs, damaged sidewalks, deteriorated parking lots, collapsed fencing, structural load problems, wall insulation not conforming to thermal standards, old windows, damaged roofs, handrails not to code, water-damaged ceilings, mildew buildup, no required attic hatches, worn and damaged floor finishes, obsolete kitchens, restrooms beyond their useful life, electrical wiring undersized, and worn out boilers.

The units also contain asbestos in the vinyl flooring, stair tread and cove base mastics, and lead based paint in the hard pipe insulation and mechanical entrance doors. Basically, the units have reached the end of their useful lives.