



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

ALASKA COMMISSION ON AGING

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April 5, 2017

The Honorable Lyman Hoffman, Co-Chair
The Honorable Anna MacKinnon, Co-Chair
Senate Finance Committee
Alaska State Capitol, Rooms 518 and 516
Juneau, AK 99801-1182

Subject: Support Funding for AHFC's Senior Citizen Housing Development Program, SB 23 Capital Budget Bill

Dear Chair Hoffman and Chair MacKinnon:

Housing is a top priority for Alaska seniors statewide. Access to safe, quality and affordable housing is a powerful social determinant of health that can impact the health trajectory for an older adult. The provision of accessible and affordable senior housing, when combined with appropriate home- and community-based support services, is an effective strategy that allows seniors to live longer in the community and thereby control the growth in long-term care spending. Alaska has the highest cost of nursing home care in the nation at \$816 per day or \$297,840 annually for private pay (according to Genworth Long-Term Care Cost Survey, 2016) and \$153,009 annually using State General Funds for a Medicaid recipient (Senior and Disabilities Services, 2017).

The Alaska Commission on Aging supports the FY2018 capital appropriation request of \$1 million for Alaska Housing Finance Corporation's (AHFC) Senior Citizens Housing Development Program (SCHDP). This state funding will leverage a significant investment from the Rasmuson Foundation in the amount of \$750,000 for a total SCHDP funding amount of \$1.75 million. The SCHDP provides gap grant funds to increase the number of affordable rental housing units for seniors with incomes of low to moderate ranges in addition to funding accessibility upgrades to improve aging in place for Alaskans age 55 years and older.

Over the years, according to AHFC Senior Housing Office (April 2017), the SCHDP has leveraged other fund sources for the construction/renovation of approximately 1,400 senior housing units statewide. In addition, the SCHDP has been a funding source for AHFC's Senior Access Program in varying amounts that has been used to improve 581 housing units with accessibility features over multiple years (SFY 2007-SFY2016). Most recently, the SCHDP funds were used to construct "Creek View 49," a new senior housing project developed by Cook Inlet Housing Authority in East Anchorage. SCHDF funds contributed \$250,000 (or 1.7%) to the total development cost of \$14,800,000. Reportedly, Cook Inlet Housing Authority had 360 applicants for the 49 units of senior housing available when the project opened last fall. In conjunction with other funding sources, the SCHDP funds were also used to construct "Vista Rose, Phase II" in Wasilla that will provide a grand total of 78 new senior housing units in the Mat-Su Borough with the completion of Phase I and Phase II for this development.

Alaska continues to be the state with the fastest growing older adult population per capita in the nation. The senior population constitutes the fastest growing age demographic in our State who now number almost 126,000 people age 60 years and older (Alaska Department of Labor and Workforce Development, Research and Analysis). Housing specifically designed for the older adult population helps seniors to remain living independently longer which improves the quality of life for seniors, increases their abilities to contribute to their families and communities, and has the potential to save the State money from institutionalized care. We have attached the Commission's Resolution in support of capital funding for AHFC's Senior Citizen Housing Development Program. Thank you for your consideration of this request and for your leadership serving Alaskans. For further information about our position, please contact Denise Daniello, ACoA's executive director (465-4879).

Sincerely,



David A. Blacketer
Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello
ACoA Executive Director

Cc: Senator Click Bishop, Vice Chair
Senator Peter Micciche, Member
Senator Mike Dunleavy, Member
Senator Natasha von Imhof, Member
Senator Donald Olson, Member