

Presented by: The Manager  
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Drafted by: D.M. & G.L.S.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 660

A RESOLUTION CONCERNING AFFORDABLE HOME MORTGAGE  
LOANS FOR MODERATE INCOME HOUSEHOLDS.

WHEREAS, the Department of Agriculture Farmers Home Administration (FmHA) provides a home loan program for low and moderate income persons, and

WHEREAS, the income level established by FmHA to define low income and moderate income households has not been adjusted for inflation in over four years while the mortgage interest rate has been adjusted from 8½% to 13% in the last year, and

WHEREAS, the Juneau office of the FmHA has made no home loans to moderate income households at the 13% mortgage rate because, by FmHA calculation, a household fitting the FmHA definition of moderate income can rarely afford the payments FmHA requires, and

WHEREAS, because of this dilemma there exists a gap between the income level at which private lenders will make home loans and the income level at which federal, state, and local government home loans are made, and

WHEREAS, many moderate income households fall into this gap and are unable to obtain home loans;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the City and Borough of Juneau requests the Alaska congressional delegation to initiate action to raise the level of income used to define low and moderate income households under the FmHA home loan program to take into account the effects of inflation, and provide for interest subsidies for moderate income households and immediately lower the interest rate under the program which would make such home loans affordable.

2. That the City and Borough of Juneau requests the Alaska State Legislature and Governor to develop home mortgage loan assistance programs which provide affordable home mortgage loans to moderate income households with more in cost assistance similar to the FmHA program.

3. That copies of this resolution be sent to the Honorable Ted Stevens, U. S. Senator; the Honorable Mike Gravel, U. S. Senator; the Honorable Don Young, U. S. Representative; the Honorable Jay S. Hammond, Governor of the State of Alaska; and, all members of the Alaska State Legislature.

Adopted this 15th day of May, 1980.

  
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Mayor

Attest:

  
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Clerk