

ALASKA HOUSING FINANCE CORPORATION
BOARD OF DIRECTORS
REGULAR BOD MEETING IN ANCHORAGE

July 20, 2022

Anchorage

10:00 a.m.

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. MINUTES: June 29, 2022
Next Resolution: #22-13
- IV. PUBLIC COMMENTS
- V. OLD BUSINESS: NONE
- VI. NEW BUSINESS:
 - A. Consideration of a Resolution Regarding FY2023 Salary Schedules. (22-13)
 - B. Consideration of a Resolution Approving Consent to C-Pace Financing For a Mixed-Use Multi-Family Housing Project to Alaska Hotel Group, 239 W. 4th Avenue, Limited Partnership; Mark Begich; Sheldon Fisher. (22-14)
 - C. Consideration of a Resolution Approving the Transfer of Funds to the Alaska Corporation for Affordable Housing in Accordance with FY2023 Moving to Work Annual Plan and Capital Fund Program. (22-15)
- VII. REPORT OF THE CHAIR
- VIII. BOARD COMMITTEE REPORTS: NONE
- IX. REPORT OF THE EXECUTIVE DIRECTOR
- X. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD
Monthly Reports and Meeting Schedules
- XI. EXECUTIVE SESSION: Corporation's operational and personnel matters that may have an impact on the Corporation's financial matters. Board action related to this matter, if any, will take place in the public session following the Executive Session.

**The Chair may announce changes in the Order of Business during the meeting.

MINUTES

ALASKA HOUSING FINANCE CORPORATION
BOARD OF DIRECTORS
REGULAR BOD MEETING IN ANCHORAGE

June 29, 2022

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met May 18, 2022, in the AHFC boardroom, 4300 Boniface Parkway in Anchorage, AK at 10:00 a.m. Board members present were:

BRENT LEVALLEY
Anchorage

CHAIRMAN
Member of the Board

VIVIAN STIVER
Via Teleconference

VICE CHAIR
Member of the Board

JESS HALL
Anchorage

Member of the Board

LUCINDA MAHONEY
Via Teleconference

Commissioner
Department of Revenue

SANDRA MOLLER
Via Teleconference

Designee for Commissioner
Department of Commerce, Community &
Economic Development

ALBERT WALL
Via Teleconference

Designee for Commissioner
Department of Health & Social Services

- I. **ROLL CALL.** A quorum was declared present, and the meeting was duly and properly convened for the transaction of business.
- II. **APPROVAL OF AGENDA.** CHAIR LEVALLEY proposed the agenda to be approved as presented. JESS HALL moved to approve the agenda. VIVIAN STIVER seconded. The agenda was approved as presented.
- III. **MINUTES OF MAY 18, 2022.** CHAIR LEVALLEY asked for revisions or acceptance of the minutes. JESS HALL moved to approve the May minutes. ALBERT WALL seconded. The minutes of MAY 18, 2022 were approved as presented.
- IV. **PUBLIC COMMENTS:** There were no public comments.

- V. **OLD BUSINESS:** No Old Business to discuss with the Board.
- VI. **NEW BUSINESS:** **A. Consideration of a Resolution approving the FY2023 Operating Budget for the Low-Rent Asset Management Developments (AMPs) and the Central Office Cost Center (COCC). (22-07).** BRYAN BUTCHER introduced the item and JAMES WIEDLE presented. Mr. Wiedle stated that while the Governor has approved AHFC's FY2023 operating budget request, the Department of Housing and Urban Development (HUD) requires AHFC Board Approval of the Low Rent AMP and COCC Operating Budgets before the July 1 start date of the new operating budget year. Staff recommends approval of the Resolution for review and approval of the FY2023 Operating Budget Details for the Low-Rent Asset Management Developments (AMPs) and the Central Office Cost Center (COCC). JESS HALL moved to approve Resolution 2022-07. VIVIAN STIVER seconded. A roll call vote was taken and the resolution was unanimously approved. (6-0); **Resolution #2022- 07 Approving the FY2023 Operating Budget for the Low-Rent Asset Management Developments (AMPs) and the Central Office Cost Center (COCC).**
- B. Consideration of a Resolution approving the SFY 2023 GOAL PROGRAM Rating and Award Criteria also known as the Qualified Allocation Plan, for use with the Greater Opportunities for Affordable Living (GOAL) Program. (22-08).** BRYAN BUTCHER introduced the item and DANIEL DELFINO and ANDY PETRONI presented. Mr. Delfino stated the proposed changes to the GOAL program Rating and Award Criteria have been collectively developed in response to Public Comments received since implementation of the current Criteria in SFY2020, the observations of staff regarding the current criteria's clarity, efforts to standardize underwriting procedures, and AHFC's ongoing effort to incentivize cost-effective developments. Staff recommends adopting the rating and award criteria, version June 29, 2022. JESS HALL moved to approve Resolution 2022-08. VIVIAN STIVER seconded. A roll call vote was taken and the resolution was unanimously approved. (6-0); **Resolution #2022-08 Approving the SFY 2023 GOAL PROGRAM Rating and Award Criteria, also known as the Qualified Allocation Plan, for use with the Greater Opportunities for Affordable Living (GOAL) Program.**
- C. Consideration of Resolution approving FY2022 Vacated Tenant Accounts Receivable Inactivation. (22-09)** BRYAN BUTCHER introduced the item and CATHY STONE presented. Ms. Stone stated that the Public Housing Division submits tenant accounts receivable activity each year to the Board for its Public, S8N Multifamily, and Affordable Housing programs. The activity is necessary, as HUD does not favorably view public housing agencies with large accounts receivable balances for families. Although PHD removes these accounts from its active accounts receivable, staff takes an aggressive stance regarding collection of these accounts. Staff recommends Board approval of the attached resolution that approves vacated tenant accounts receivable inactivation. JESS HALL moved to approve Resolution 22-09. VIVIAN STIVER seconded. Discussion followed. A roll call was taken and the resolution was unanimously approved (6-0). **Resolution #22-09 Approving the FY2022 Vacated Tenant Accounts Receivable Inactivation.**

D. Consideration of a Resolution Approving term refinancing for a mixed-use multi-family housing project to IT, LLC; RB Enterprises, LLC; Robert A. Gross (22-10) BRYAN BUTCHER introduced the item and MICHELLE GRAVES presented. Ms. Graves noted that the borrowers, Bob and Melanie Gross were present in person at the board meeting. Ms. Graves stated that the initial long term financing was closed in 2011 and the borrowers have operated the mixed-use project since loan closing. The project provides 59 affordable unites for households that meet the definition of “Workforce Housing” as well as households below 50% area median income. AHFC received and reviewed the application by the borrowers requesting funding under this loan program in the amount of \$8,400,000 for the term refinancing of an existing mixed use multi-family project named “Inlet Tower”. Refinancing will the borrower to continue providing a mix of very low income and workforce affordable housing units in the community. Staff has reviewed the application package and his determined that it meets the requirements f of the program and therefore presents an acceptable risk to the Corporation. Staff recommends approval of the \$8,400,000 loan, subject to the terms and conditions of the Multifamily, Congregate and Special Needs Housing Loan Program guidelines. JESS HALL moved to approve Resolution 22-10. SANDRA MOLLER seconded. A roll call was taken and the resolution was unanimously approved (5-0). **Resolution #22-10 Approving term refinancing for a mixed-use multi-family housing project to IT, LLC; RB Enterprises, LLC; Robert A. Gross.**

E. Consideration of a Resolution of the Alaska Housing Finance Corporation authorizing one or more credit agreements in an aggregate commitment amount not to exceed \$500,000,000 and approving related matters. (22-11) BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that in November 29, 2017 the Board previously approved Resolution 2017-33, authorizing the Corporation to enter into a \$200 million revolving credit facility to support the Corporation’s self-liquidity obligations issued under its State Capital Project bonds I indenture, its State Capital Project Bonds II indenture, and its Commercial Paper notes program. This authorization as amended has served the Corporation extremely well since its implantation. The Corporation staff recently replaced the Corporations credit agreement with the Industrial and Commercials Bank of China, which was set to expire this year, with a new agreement with Sumitomo Mitsui Banking Corporation that will expire June 13, 2025, unless extended prior to such date pursuant to its terms. Staff and Corporation counsel have drafted the Resolution 2022-11 to refine and supersede the existing authorization in light of professional legal counsel and ongoing market dynamics. Specifically, Resolution 2022-11 authorizes the Corporation through its Authorized Officers to take such actions and enter into, approve, and amend such documents as may be required from time to time to ensure continuous access to external credit of such terms and in those amounts deemed most conducive to the successful performance of the Corporation’s statutorily authorized activities. Staff recommends Board approval. JESS HALL moved to approve Resolution 22-11. COMMISSIONER MAHONEY seconded. Discussion followed. A roll call was taken and the resolution was unanimously approved (6-0). **Resolution #22-11 Approving of the Alaska Housing Finance Corporation authorizing one or more credit**

agreements in an aggregate commitment amount not to exceed \$500,000,000 and approving related matters.

F. Consideration of a Resolution of the Alaska Housing Finance Corporation authorizing the issuance and sale of not to exceed \$15,000,000 Conduit Revenue Bonds, 2022 (Fairbanks Affordable Housing Project) and approving related matters. (22-12) BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated the Board of Directors previously approved the issuance of a Revenue Bond for the Fairbanks Affordable Housing Project, spearheaded by ACAH. This resolution will increase the issuance from \$12,000,000 to \$15,000,000 to provide additional capacity for the increase in construction costs. The development will remain a scattered site affordable multi-family housing development in Fairbanks, Alaska, consisting of 58 units between two sites. The bonds will be privately placed with the construction lender and serviced by the Borrower, Fairbanks Affordable Housing, LLC. AHFC will only act as an administrator and no corporate funds or credit will be used as the debt service on the bonds will be paid solely by the borrower. This bond resolution will supersede the previously approved issuance, approves the various bond documents and authorizes the sale of up to \$15,000,000 in bonds by private placement to First National Bank Alaska. Staff recommends board approval. JESS HALL moved to approve Resolution 22-12. VIVIAN STIVER seconded. Discussion followed. A roll call was taken and resolution was unanimously approved (6-0). **Resolution #22-12 Approving the Alaska Housing Finance Corporation amending prior board resolution 2022-06 and authorizing the issuance and sale of not to exceed \$15,000,000 revenue bond, 2022 (Fairbanks Affordable Housing Project); authorizing a loan agreement; and authorizing and approving related matters.**

- VII. REPORT OF THE CHAIR:** CHAIR LEVALLEY congratulated Mark Romick, Deputy Executive Director, on his retirement and thanked him for all his years of service. He wished Mr. Romick well in his retirement endeavors
- VIII. BOARD COMMITTEE REPORTS: AUDIT REPORT.** BRYAN BUTCHER introduced the item and KEVIN TUNE presented. Mr. Tune Mr. Tune stated that the Audit Committee met this morning and first item on the agenda was an update from Eide Bailly concerning their audit activities. They have almost completed the interim work, which indicates no findings or deficiencies noted. They plan to be on-site mid-August. We presented six internal audit reports, two servicing reports, one planning report, and three admin services reports. With the exception of the Wells Fargo audit, all of them received a satisfactory opinion. We then discussed our fiscal year internal audit activity—the audit side of the department, the grant side of the department, all of our follow-up activity, and Jerusha Gatfield presented on our affordable housing compliance monitoring. We also presented the FY23 plan for approval. The audit committee accepted the plan and approved it. Lastly, we presented our five-year quality assessment review. In order to comply with the standards of the Institute of Internal Audit, the Internal Audit Department has to be assessed every five years and validated by an independent agency. As with prior years, we did a self-assessment and Eide Bailly performed the independent validation. We received a generally conforms, which is the highest opinion

you can receive from a quality assessment review. No questions from the committee.
ACTING CHAIR BRENT LEVALLEY made a comment.

- IX. REPORT OF THE EXECUTIVE DIRECTOR.** BRYAN BUTCHER reported on 1) Operating budget was signed into law as approved by the board last October; 2) Capital budget was higher than approved by the board; 3) Attending and Participating in various homelessness councils: Governor’s Homelessness Council; People First Homelessness Council; Anchorage Homeless Leadership Council; and Homeless Stabilization Program with Mayor Bronson; 4) Meeting with HUD Region 10 Director, Margaret Salazar; 5) Upcoming AHFC retirements: Melanie Smith, Multi-Family Underwriter II, Pamela Brown-McMillan, Human Resources Analyst, Gregory Evans, Maintenance Mechanic, Mark Romick Deputy Executive Director. 6) Next meeting is Wednesday, July 20 with an AHFC regular meeting. No questions from the board.
- X. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD.**
MONTHLY REPORTS AND MEETING SCHEDULES. BRYAN BUTCHER asked for report on Finance and Mortgage.
1. Monthly Loan Reports. Finance, and Mortgage reports were presented for discussion and review.
2. Schedule of Board Meetings.
- | | | |
|--------------------------|---------------|--------------------|
| AHFC Regular BOD Meeting | July 20, 2022 | 10:00 am Anchorage |
|--------------------------|---------------|--------------------|
- XI. EXECUTIVE SESSION: CORPORATION’S OPERATIONAL MATTERS THAT MAY HAVE AN IMPACT ON THE CORPORATION.** No Executive session called.
- XII. OTHER MATTERS:** CHAIR LEVALLEY asked if there were any other matters to properly come before the board. No other matters were presented. JESS HALL made a motion to adjourn. VIVIAN STIVER seconded the motion. Seeing and hearing no objections, the meeting was adjourned at 11:02 am.

ATTESTED:

Brent LeValley - Board Chair

Bryan Butcher
CEO/Executive Director

**ALASKA HOUSING FINANCE CORPORATION
BOARD CONSIDERATION MEMORANDUM**

Date: July 20th, 2022

Staff: James Wiedle

Item: Resolution to adopt new FY 2023 Salary Schedule

Background:

House Bill 226

Relating to the compensation of certain employees of the executive branch, judicial branch, and University of Alaska; relating to the compensation of certain employees of the legislative branch; and increasing the salaries of certain attorneys and administrative law judges employed by the state.

House Bill 226 is expected to become law on August 1, 2022. The legislation provides a 5% cost of living adjustment (COLA) in Fiscal Year 2023 for all exempt and partially exempt staff in all three branches of the State. This is the first COLA provided by the State in seven years.

Alaska Housing Finance Corporation is legally separate and independent from the State of Alaska but requires authorization from the legislature and Governor to approve its annual operating budget. As such, AHFC's board of directors has historically adopted a salary schedule similar to the State of Alaska and provided cost of living adjustments commensurate with those of state employees. The last COLA provided to AHFC's employees occurred in 2016.

Issue:

An administrative error by the office of management and budget in the fiscal note for the bill omitted AHFC and a few other state agencies and does not provide the Corporation with authorization at this time to absorb the costs of a 5% employee COLA. It is expected that a supplemental budget request will be submitted at the beginning of the next legislative session to correct this error.

Impact:

Funding Source	2% Increase	Authority Available?
Corporate	\$894,055	Yes
Federal	\$491,319	Yes
CIP	\$63,317	Yes
	\$1,448,691	

Recommendation:

Staff recommends the Board of Directors' permission and approval to adopt the attached Salary Schedules for the basis of AHFC's employee compensation package with a COLA of 2% retroactive to July 1, 2022, the beginning of the fiscal year. When the additional supplemental budget authorization is passed by the legislature and signed into law, the board will receive a resolution to add the additional 3% COLA approved in HB 226.

ALASKA HOUSING FINANCE CORPORATION
RESOLUTION No. 2022-13

RESOLUTION OF THE BOARD DIRECTOR
OF THE ALASKA HOUSING FINANCE CORPORATION
APPROVING ADOPTION OF THE REVISED SALARY SCHEDULES

WHEREAS, the Corporation's personnel rules provide for a salary schedule that is comparable to the State of Alaska salary schedule; and

WHEREAS, the Legislature and the Governor of the State of Alaska have approved funding for a revised salary schedule:

WHEREAS, the Corporation has revised the Corporation's Salary Schedules to reflect the funding changes made by the Legislature and the Governor of the State of Alaska; and

WHEREAS, effective July 1, 2022, the amounts set out in the FY2023 salary schedules are increased by two percent above the FY2023 salary schedules and are funded in an FY2023 funding Bill; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Alaska Housing Finance Corporation that the salary adjustments as provided in the FY2023 Revised Salary Schedules effective July 1, 2022 presented at this meeting be approved and adopted.

Passed and approved by the Board of Directors of the Alaska Housing Finance Corporation this 20th day of July, 2022.

Brent LeValley,
Chairman of the Board

**ALASKA HOUSING FINANCE CORPORATION
BOARD CONSIDERATION MEMORANDUM**

Date: July 20, 2022

Staff: Rich McKinstry

Item: Consent To C-PACE Financing For A Mixed-Use Multi-Family Housing Project To Alaska Hotel Group, 239 W. 4TH Avenue, Limited Partnership; Mark Begich; Sheldon Fisher

Background:

The subject property located at 239 W. 4th Avenue was initially built in 1971 as a full service hotel within the Anchorage downtown business district. The building was purchased by the current borrowers, and the AHFC mortgage assumed, in November 2020.

The initial term financing was closed in 2012 and the property has been operated as a mixed-use hotel and long term residential project with 86 long term residential units and 165 hotel rooms. The project provides a set-aside of 30% of the residential units for households that meet the definition of “Workforce Housing” as well as a set-aside of 20% of the residential units for households below 50% area median income. The project also contains 43 market rate residential units, 165 hotel rooms, laundry service, and currently unused full service restaurant and pool. The housing units are studio/efficiency type units containing between 285 – 310 square feet per unit. The property features on-site parking and is equipped with a fire alarm and sprinkler system. Property management is provided by Alaska Hotel Group, 239 W. 4th Avenue, LP’s managing member Mr. Begich, who will continue to oversee all maintenance and property management responsibilities of the subject property.

This memorandum represents a request from the borrowers for AHFC approval to allow third party financing for energy improvements in the amount of \$6,500,000 under the Alaska Commercial Property Assessed Clean Energy Program (C-PACE):

Summary and Recommendation:

<u>Lender:</u>	<u>Outstanding balance</u>	<u>Interest Rate</u>	<u>Remaining Term</u>
AHFC:	\$8,857,862.81	6.750%	244 Months
AHFC (AIDEA):	\$1,000,000	6.250%	244 Months

Original Appraised Value: \$12,000,000 Original LTV: 78.33%

Appraised Value “as-complete, at stabilized occupancy”: \$23,550,000
(Effective 5/16/2022 by Gregory S. Wing, MAI, North Pacific Advisors, LLC)

C-PACE Loan Amount \$6,500,000
20 year term (240 Months)
Interest only initial 24 months, all interest and fees
capitalized with repayment amortized over 216 months.

C-PACE CLTV: 69.5%

The borrowers have requested AHFC’s consent to allow for C-PACE financing of energy improvements to the existing development located at 239 W. 4th Avenue in Anchorage. Energy improvements include: roof replacement, wall insulation, window replacement, HVAC upgrades, water fixture upgrades, lighting upgrades, and combined heat and power (CHP) systems. The proposed terms of the financing include an initial principal balance of \$6,500,000 with a 20 year term. The first 24 months of interest and all fees associated with the financing will be capitalized, with the repayment amortized over the remaining 18 year period (216 payments). The C-PACE loan is administered through the Municipality of Anchorage, who provides financing from third party lenders.

Staff has reviewed the provided ASHRAE Level 2 Commercial Energy Audit prepared by G-Energy LLC dated April 7, 2022, as well as the Appraisal Report prepared by Gregory S. Wing, MAI, of North Pacific Advisors, LLC dated May 16, 2022. Review of these documents and the borrower’s historic financial information indicates that the anticipated performance of the property and cumulative loan to value meet the limits of the initial financing and existing loan program requirements and as such, represent an acceptable risk to the Corporation.

Staff recommends consent to allow third party C-PACE financing of the \$6,500,000 loan as proposed subject to the conditions attached. **(See Appendix A)**

Reviewed and accepted by Senior staff substantively as stated in this Board Consideration Memorandum, subject to Board approval:


Bryan D. Butcher
CEO/Executive Director
Date: 7/11/22


Michael O'Hare
Deputy Executive Director
Date: 7/11/22


Michael Strand
Chief Financial Officer
Date: 7/11/22

**ALASKA HOUSING FINANCE CORPORATION
RESOLUTION NO. 2022-14**

**RESOLUTION APPROVING CONSENT TO C-PACE
FINANCING FOR A MIXED-USE MULTI-FAMILY
HOUSING PROJECT TO ALASKA HOTEL GROUP, 239
W. 4TH AVENUE, LIMITED PARTNERSHIP; MARK
BEGICH; SHELDON FISHER**

WHEREAS, there is a need to provide safe, sanitary, and affordable housing for persons of low to moderate income; and

WHEREAS, Alaska Hotel Group, 239 W. 4th Avenue, Limited Partnership; Mark Begich; Sheldon Fisher have applied to Alaska Housing Finance Corporation for consent allowing financing for energy improvements through a third party lender utilizing the Alaska Commercial Property Assessed Clean Energy (C-PACE) program on the existing 251 unit affordable mixed-use multifamily complex located in Anchorage, Alaska; and

WHEREAS, the purpose of the term financing is to provide energy improvements to existing AHFC real property collateral; and

WHEREAS, the proposed C-PACE financing authorization falls within the established purview and authority of AHFC's Board of Directors; and

WHEREAS, the proposed C-PACE financing is found to be an acceptable risk to Alaska Housing Finance Corporation;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Alaska Housing Finance Corporation hereby approves the request substantively as stated in the July 20, 2022 Board Consideration Memorandum prepared in support of the application.

PASSED AND APPROVED by the Board of Alaska Housing Finance Corporation this 20th day of July, 2022.

Brent LeValley – Board Chair

**ALASKA HOUSING FINANCE CORPORATION
BOARD CONSIDERATION MEMORANDUM**

Date: July 20, 2022

Staff: Catherine Stone

Item: Consideration of a Resolution Approving the Transfer of Funds to Alaska Corporation for Affordable Housing in Accordance with the FY2023 Moving To Work Annual Plan and Capital Fund Program

Background:

The Moving to Work Agreement (MTW) between AHFC and the U.S. Department of Housing and Urban Development (HUD) began in 2008. The AHFC Board of Directors approved Resolution 16-11 on May 25, 2016 extending AHFC's participation in the MTW Demonstration Program through June 2028. Whenever AHFC seeks a waiver from either the 1937 Housing Act, or implementing regulations, it must do so through the planning process and must comply with at least one of three statutory goals:

- 1) Reduce cost and achieve greater cost effectiveness in federal expenditures;
- 2) Give incentives to families with children whose head of household is either working, seeking work, or participating in programs that assist them to become economically self-sufficient; and
- 3) Increase housing choices for low income families.

An Amendment to the MTW Agreement approved by the U.S. Department of Housing and Urban Development on November 18, 2011 allows for the "broader uses of funds authority" in Attachment D. AHFC's FY2023 Moving to Work Annual Plan proposed Activity 2023-3 ACAH Fairbanks Development, which was approved by the AHFC Board of Directors on April 27, 2022 with Resolution 22-03.

Alaska Corporation for Affordable Housing (ACAH) was formed in 2011 as a subsidiary of AHFC to develop, manage, and operate affordable housing.

Issue:

In accordance with the MTW Agreement, AHFC maintains program reserves and has the authority to encumber those reserves for MTW activities. MTW Activity 2023-3 authorizes the use of MTW reserves to support the development of approximately 58 affordable housing units through the ACAH Fairbanks Development. The transfer of \$13 million from AHFC to ACAH will enable ACAH to provide its contribution to the new development.

Recommendation:

Staff recommends Board approval of the attached resolution that approves its transfer of funds from AHFC to ACAH.

**BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION
RESOLUTION 2022- 15**

**RESOLUTION APPROVING THE TRANSFER OF FUNDS TO ALASKA
CORPORATION FOR AFFORDABLE HOUSING IN ACCORDANCE WITH FY2023
MOVING TO WORK ANNUAL PLAN AND CAPITAL FUND PROGRAM**

WHEREAS, the Board of Directors of the Alaska Housing Finance Corporation (the “Corporation”) authorized the Corporation’s participation in the Moving to Work (MTW) Demonstration Program with Resolution 08-19 on June 18, 2008; and

WHEREAS, the Corporation executed its Moving to Work Agreement with the U.S. Department of Housing and Urban Development (HUD) on June 24, 2008; and

WHEREAS, the Corporation’s Board of Directors approved an extension of the Corporation’s participation in the MTW Program with Resolution 16-11 on May 25, 2016 extending the Corporation’s participation to June 30, 2028; and

WHEREAS, in compliance with the MTW Agreement, a draft plan for fiscal year 2023 was developed and covers activities falling within the Public Housing Program, the Capital Fund Program, and the Housing Choice Voucher Program, including but not limited to rental subsidy, operations, administration, and modernization; and

WHEREAS, the Board of Directors of the Corporation recommended said plan and directed its staff to submit it to HUD for approval; and

WHEREAS, the Corporation has determined to transfer approximately \$13,000,000 in MTW reserves to the Alaska Corporation for Affordable Housing (“ACAH”) to assist in funding a multifamily housing project known as the Fairbanks Affordable Housing Project (the “Project”);

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Alaska Housing Finance Corporation hereby approves the transfer of MTW Reserves to ACAH to fund the Project.

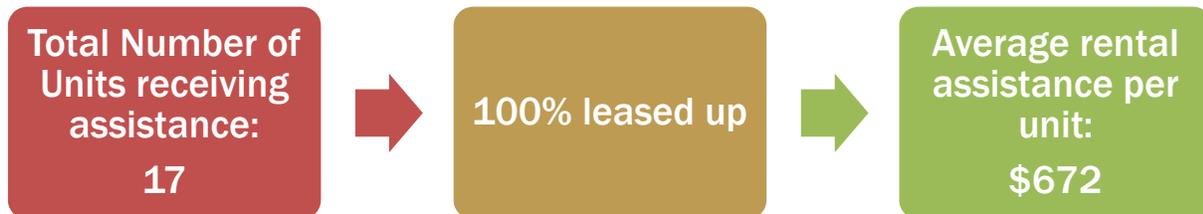
PASSED AND APPROVED, by the Board of Directors of Alaska Housing Finance Corporation this ____ day of July, 2022.

Brent LeValley – Board Chair

Public Housing Operations Update

July 2022

Bridgeway Community Housing in Wasilla:



Operations Updates

- The HUD Real Estate Assessment Center completed their inspections statewide with overall high scores and high performing properties identified.
- Work on Housing Choice Voucher payment standard analysis and possible increases based on higher rents recorded statewide.
- Emergency Housing Voucher program progress continues. Number of housed, shopping or referred for assistance increased from 17 in May to 69 in July. We continue to work closely with the Statewide and Anchorage Coalitions to provide rental assistance and administrative support.

Facilities Management & Construction Updates

- **Juneau** – Cedar Park Annex sidewalk replacement underway.
- **Anchorage** – Chugach Manor window replacement project is ongoing, bedroom windows are being changed, awaiting new windows for the living room bay windows; Backup Generator project design is moving to 100% for construction documents.
- **Fairbanks** – Golden Towers exterior envelop with Osborne Construction, requesting Osborn to provide and install remaining window limiters.
- **Seward** – Fire Suppression and Detection Upgrade phase 3 starts in August, then roof repairs and venting issues will start.
- **Kodiak** – Heating fuel UST removal project is underway, playground replacement project ready to be advertised.
- **Bethel** – VCA/ADA work awarded to Wolverine Supply.
- **Extraordinary Maintenance Team (EMT)** - Travelled to Nome to assist with sewer line issue.

Research and Rural Development Department

July 20, 2022 Board Report

The Research and Rural Development Department promotes a sustainable built environment so that Alaskans have access to safe, quality and affordable housing. Staff accomplish this mission through management of a variety of programs, services, education, technical assistance, and offered resources.

The three programs highlighted in this report are the Weatherization Program, the Supplemental Housing Development Grant Program, and the Energy Efficiency Research Grant Program. All three programs received a capital appropriation from the legislature for fiscal year 2023. The following information provides an update on each program's current activity and funding levels.

Weatherization Program

The Weatherization program is a Federal and State funded program that improves the energy efficiency, health, and safety of residential housing at no cost to income qualified applicants. AHFC awarded grants to nine organizations that provide services to all regions of Alaska. Throughout this year and last year, more than 430 homes will have received weatherization services.

Weatherization Program Two-Year Grants (2021 & 2022)

Weatherization Grantee	Service Area	State of Alaska	Department of Energy	LIHEAP	Total
Alaska Community Development Corp.	Copper River, Kenai Peninsula, Mat-Su, Prince William Sound	\$ 507,557.00	\$ 1,393,657.00	\$ 1,171,950.01	\$ 3,073,164.01
Alaska Community Development Corp.	Bristol Bay, Kodiak, Aleutians, Southeast Alaska except Juneau	\$ 129,280.00	\$ 89,188.00	\$ 50,436.00	\$ 268,904.00
Rural CAP	Greater Anchorage Area	\$ 460,976.00	\$ 1,028,179.00	\$ 862,378.00	\$ 2,351,533.00
Rural CAP	Northern and Western Alaska	\$ 627,491.00	\$ 454,208.00	\$ 360,001.00	\$ 1,441,700.00
Interior Weatherization, Inc.	Greater Fairbanks Area and South to Cantwell, Delta Junction	\$ 519,836.82	\$ 1,415,322.85	\$ 1,222,389.06	\$ 3,157,548.73
Assoc. Of Village Council Pres. Regional HA	Bethel Area	\$ 213,500.00	\$ -	\$ -	\$ 213,500.00
Bristol Bay Housing Authority	Bristol Bay	\$ 121,500.00	\$ -	\$ -	\$ 121,500.00
Cook Inlet Housing Authority	Anchorage Area	\$ 88,500.00	\$ -	\$ -	\$ 88,500.00
Northwest Inupiat Housing Authority	Kotzebue and Surrounding Communities	\$ 75,500.00	\$ -	\$ -	\$ 75,500.00
North Pacific Rim Housing Authority	Prince William Sound	\$ 28,000.00	\$ -	\$ -	\$ 28,000.00
Tlingit-Haida Regional Housing Authority	Southeast Alaska excluding Juneau	\$ 87,000.00	\$ -	\$ -	\$ 87,000.00
		\$ 2,859,140.82	\$ 4,380,554.85	\$ 3,667,154.07	\$ 10,906,849.74

Congress recently passed the Bipartisan Infrastructure Law (BIL), a one-time, nationwide investment in the nation's infrastructure. As part of this, the Department of Energy's Weatherization Assistance Program received \$3.5 billion nationwide with Alaska's share totaling \$18,386,814. This funding will reduce energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety. The Weatherization BIL funding will be allocated to grantees over the next five years.

The Alaska State Legislature appropriated \$1.8 million of capital funding for the Weatherization Program during the most recent legislative session. Budget authority was also provided for AHFC to receive the one-time Weatherization BIL funding and the annual Weatherization formula allocation, which is anticipated to be approximately \$3 million.

Supplemental Housing Development Grant Program

The Supplemental Housing Development Grant Program (SHDG) was established by the Alaska Legislature in 1981 to supplement development funds provided by the U.S. Department of Housing and Urban Development (HUD) for Indian Housing projects constructed by the Regional Housing Authorities (RHA).

Eligible projects and activities include new construction or rehabilitation of RHA owned, residential rental, or owner-occupied housing with a HUD loan or grant award.

AHFC is limited to funding the RHAs in the following four categories per AS 18.55.998(a):

- On site water and sewer facilities;
- Road construction to project sites;
- Energy efficient design features in homes; and
- Extension of electrical distribution facilities to individual residences.

For SFY 2022 a total of \$3,113,892.90 was allocated and distributed among nine housing authorities.

Housing Authority	2022 Grant Award Total
Bristol Bay	\$ 320,000.00
Baranof Island	\$ 230,000.00
Bering Strait	\$ 470,740.96
Cook Inlet	\$ 250,000.00
Copper River Basin	\$ 470,740.98
Interior Regional	\$ 421,670.00
Northwest Inupiat	\$ 240,000.00
Tlingit-Haida Regional	\$ 470,740.96
Tagiugmiullu Nunamiullu	\$ 240,000.00
Total	\$ 3,113,892.90

AHFC received a \$3 million capital appropriation for SFY 2023 to fund this program.

Energy Efficiency Research Grant Program

The Energy Efficiency Research Grant Program provides funding to the Cold Climate Housing Research Center (CCHRC) to promote and advance the development of healthy, durable, and sustainable shelter for Alaskans and other circumpolar people. AHFC received a \$1 million capital appropriation for SFY 2023 to fund this program.

CCHRC has numerous projects related to housing throughout Alaska some of which include:

- Developing a high-efficiency Vacuum Insulated Panel (VIP), a modular building system that capitalizes on the significant thermal performance of the VIP while overcoming its shortcomings of vacuum loss and fragility.
- Providing support to the Native Village of Unalakleet in the design and construction of a small house prototype, which will include a modular component built at CCHRC and assembled by the Unalakleet Housing Department.
- Designing, producing, testing, and integrating engineered timber products for a modular building system, the project demonstrates the commercial viability of low-value timber and disseminates results to stakeholders.
- Assist the City of Nome with development and construction of 3D Printed Home prototype.

Planning and Program Development

July, 2022

Fast Facts

- Managing 16 Active Housing Programs: 5 Development Programs, 11 Service Programs
- Managing 155 Active Grant Agreements, Tax Credit Awards and Contracts
- Quick Program Updates
 - o Homeownership Assistance Fund – Application Processing Underway
 - o Alaska Housing Rent Relief – Program Issuing Final Payments for Most Applicants
 - o Stabilization Program – Enrollment Phase Continuing

Homeless Assistance and Special Needs Housing Grant Programs: These data report the number of Alaskans served during the entire month of April

- Emergency Shelter: 751
- Transitional Housing: 333
- Prevention Programs: 330 – these numbers exclude the Federal COVID Housing Relief
- Permanent Supportive Housing Units: 318

AHFC Funded Homeless and Support Service Programs

Homeless Assistance and Special Needs Housing Grant Program Awards	Active Awards	Annualized Awards
Services - Adult General	33	\$5,358,970
Service - Permanent Supportive Housing	17	\$3,002,720
Service - Prevention	7	\$1,200,144
Service - Shelter	9	\$1,156,106
Services - Domestic Violence	7	\$589,830
Service - Permanent Supportive Housing	1	\$133,162
Service - Prevention	3	\$128,847
Service - Shelter	3	\$327,821
Services - Family	6	\$2,647,849
Service - Permanent Supportive Housing	1	\$197,816
Service - Prevention	2	\$717,383
Service - Shelter	3	\$1,732,650
Services - Youth	3	\$699,291
Service - Shelter	3	\$699,291
Grand Total	49	\$9,295,940

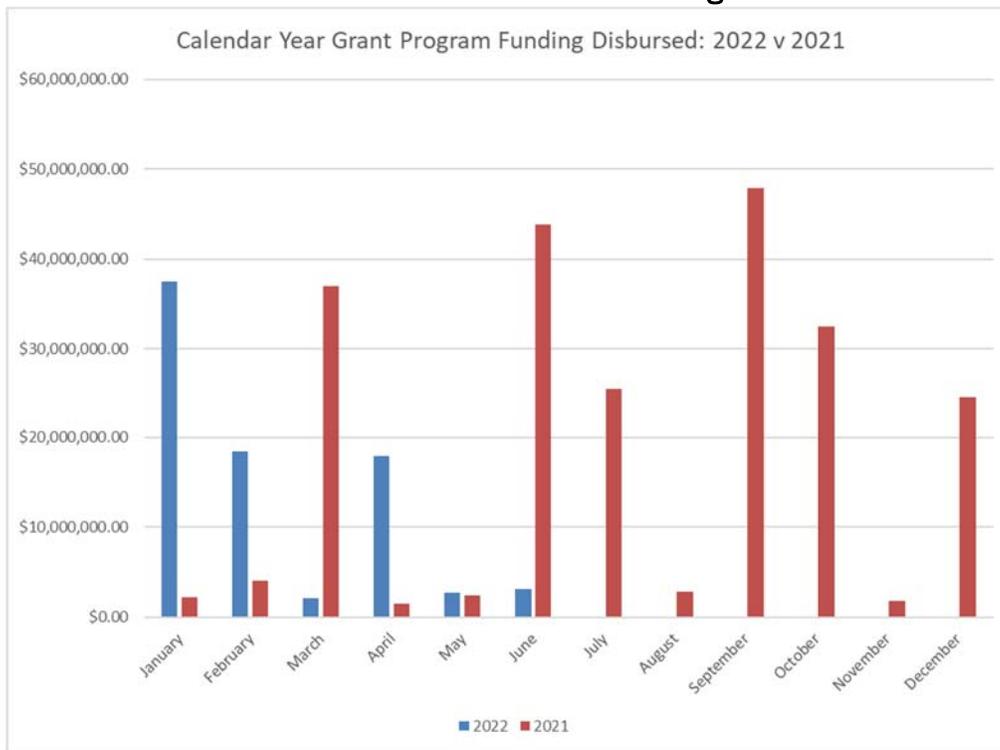
Development Programs Activity

Active Developments by Housing Type	Number of Active Awards Managed	Housing Units Being Built	Total Development Costs
Families	14	398	\$116,151,553.00
Rural Professionals	20	87	\$28,204,152.00
Senior Housing	6	195	\$57,025,465.00
Supportive Housing	4	105	\$43,221,958.00
Grand Total	44	785	\$244,603,128.00

Development Program Notes:

- 30 distinct development partners are currently building in 29 distinct communities
- 22 of 29 communities with active developments meet AHFC's small communities definition

Disbursement Trends across All Programs



Disbursement Activity Notes:

- Seventy-three (73) disbursements were processed during the month of June. Historically, between 24 to 95 disbursements are paid out each month.
 - o In calendar year 2021, \$225.9M in total funding was disbursed to grantees
 - o In calendar year 2020, \$33.3M in total funding was disbursed to grantees
 - o In calendar year 2019, \$19.6M in total funding was disbursed to grantees
 - o In calendar year 2018, \$20.5M in total funding was disbursed to grantees



AHFC BOARD OF DIRECTORS
SCHEDULE 2022

~~January 26, 2022 (AHFC Regular)~~ **CANCELED**

~~February 23, 2022 (AHFC Regular & Audit Committee)~~ **CANCELED**

~~March 22, 2022 (AHFC Regular & Audit Committee)~~

~~April 27, 2022 (AHFC Regular & ACAH Special Meeting)~~

~~May 18, 2022 (AHFC Regular & AHCC Annual Membership & Board)~~

~~May 25, 2022 (AHFC Regular)~~ **Rescheduled to May 18, 2022**

~~June 29, 2022 (AHFC Regular & Audit Committee)~~

July 20, 2022 (AHFC Regular & ACAH Special Meeting)

~~July 27, 2022 BOD (AHFC Regular)~~ **Rescheduled to July 20, 2022**

August 24, 2022 (AHFC Annual in Valdez)

(NCSHA Annual Conference 2022 October 22-25)

October 26, 2022 (Audit Committee, ACAH Annual Membership & Board and AHFC Regular)

November 30, 2022 (NTSC Annual Membership & Board, and AHFC Regular)