

MINUTES

ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS

ANNUAL MEETING

August 24, 2022

10:00 a.m.

Valdez

The Board of Directors of Alaska Housing Finance Corporation met August 24, 2022, at the Valdez Convention and Civic Center, 314 Clifton Court, Valdez, Alaska, at 10:00 Board members present in the room and via teleconference were:

BRENT LEVALLEY
Valdez

CHAIRMAN
Member of the Board

VIVIAN STIVER
via teleconference

VICE CHAIR
Member of the Board

JESS HALL
Valdez

Member of the Board

LUCINDA MAHONEY
Valdez

Commissioner
Department of Revenue
Member of the Board

ALBERT WALL
via teleconference

Designee for Commissioner
Department of Health & Social
Services
Member of the Board

JULIE SANDE
via teleconference

Commissioner
Department of Commerce,
Community & Economic
Development
Member of the Board

- I. **ROLL CALL.** CHAIR LEVALLEY called the meeting to order. A quorum was declared present, and the meeting was duly and properly convened for the transaction of business
- II. **APPROVAL OF AGENDA.** CHAIR LEVALLEY asked for any additions or changes to the agenda. Seeing and hearing none CHAIR LEVALLEY asked for a motion to approve the agenda.

JESS HALL moved to approve the agenda as presented. COMMISSIONER MAHONEY seconded. Hearing no objections, the agenda was approved as presented.

- III. **MINUTES OF JULY 20, 2022.** CHAIR LEVALLEY asked for revisions or acceptance of the minutes. Hearing none, he asked for a motion to approve the minutes. JESS HALL moved to approve the minutes of the July 20, 2022, meeting. COMMISSIONER MAHONEY seconded. Hearing no objections, the meeting minutes 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. **Election of Officers.** CHAIR LEVALLEY opened the floor for nominations for Board Chair and Vice Chair. Nominations of Brent LeValley to serve as Chair and Vivian Stiver to serve as Vice Chair were presented to the board. Nominations from the floor were opened. There were none. COMMISSIONER MAHONEY moved that Brent LeValley continue on as Chair and that Vivian Stiver continue on as Vice Chair. JESS HALL seconded. A roll call vote was taken, and Brent LeValley was elected as Chair and Vivian Stiver was elected as Vice Chair unanimously. (6-0) CHAIR LEVALLEY stated that as his first official act, he appoints JESS HALL to serve as Audit Committee Chair. JESS HALL accepted the appointment.
 - B. **Federal Stimulus Programs Update.** BRYAN BUTCHER introduced the item and Daniel Delfino, Planning Director, presented. Mr. Delfino stated that the Rent Relief Program has been completed and the remaining funds moved into the Stabilization Program, which brings Alaskans out of homelessness, literally off the streets or out of shelters. As of August 19, a thousand Alaskans are actively being supported by this program. It's making a huge difference in a lot of communities. The second program that AHFC is administering is the Homeowners Assistance Program. We have crossed the 50% threshold and all applicants have received payments. About a third of the applicants have received both payments and have graduated from the program. There were some questions from board members asking if either program had any fraud. Mr. Delfino responded that Alaska was able to keep the fraud numbers contained by doing a few things differently than other states. Upon advice from Kevin Tune, rental relief agents attended fraud training in Nashville before the program started. We also worked with local funding partners, such as tribal corporations and the Municipality of Anchorage, to administer the funds through one portal. And lastly, AHFC opened the application process for a limited time. By keeping the time short, this kept people from figuring out how to "game the system". We did have some fraud but are working with state and federal enforcement agencies to research, investigate and to recover funds. Currently, there are approximately 80 active cases.

Mr. Delfino then went on to present about the current rental market. Rental rates depend on population. Using the Department of Labor as our source, we had a peak population in 2015-2016. Then as people started to leave Alaska, the rental market started to soften. In 2020 we were having conversations about what to do with our rentals, because we do not want to have a negative impact on a community. However, that has changed in the last two years. Usually, a market shifts incrementally. But over the last two years, it was a quick shift, which can be disruptive to communities. So, we're trying to understand why the markets have tightened so quickly and substantially in spite of the fact that we don't have that many people coming back into the state. For the models to forecast, we look at several market factors or variables, such as income, inflation, interest rates, development costs, population growth, and underlying housing stock available for multiple uses. And currently, we're finding that more than one variable is at work in the markets right now, which is making it chaotic and hard to forecast. Our models are set up to handle one or two variables, not five or six. And the impact of vacation rentals is so new, that we are having trouble finding a data source for that market across the nation. Folks have the choice of selling or renting their home and now it can become a vacation rental, so they keep it as an investment. A home now becomes a different class of asset in the housing inventory. Mr. Delfino concluded his presentation by stating that it's a difficult year to forecast with all the factors in motion. Board members discussed the trend of investors in the lower-48 buying big numbers of homes as opposed to individuals or families and the impact that has on communities and what's available to buy. Something to watch for.

- VII. **REPORT OF THE CHAIR:** CHAIR LEVALLEY thanked Bryan and his staff for getting the board meetings back on the road to demonstrate that we are not the Anchorage Housing Finance Corporation, but we are the Alaska Housing Finance Corporation. He knows extra effort goes into arranging these meetings and he appreciates that. He also hopes the board can continue to meet in locations around the State.
- VIII. **BOARD COMMITTEE REPORTS:** No Committee reports were presented
- IX. **REPORT OF THE EXECUTIVE DIRECTOR:** BRYAN BUTCHER reported on 1) Anchorage Homeless Leadership Council meetings continue; 2) AHFC is also on the Governor's Council on the Homeless, first subcommittee meeting this week; 3) Standard and Poor's staff, one of our credit rating agencies, visited at the end of July; 4) Association of Alaska Regional Housing Authority (AAHA) annual board meeting and housing innovation summit. Adrienne Todman, Deputy Secretary of HUD, who oversees public housing and Indian housing, commended that what do in Alaska, they don't see in any other state; 5) As part of the rural teacher, health professional, and public safety housing program, we had our kick-off meeting with Commissioner Cockrell and his team from the Department of Public Safety concerning the increase in funds to develop housing in rural Alaska for state troopers; 6) We had our second West Coast Housing Finance Agency quarterly meeting; 7) Senator

Murkowski is hosting a grant forum on September 7th to assist our nonprofit organizations, smaller communities, and others who may qualify apply for some of the funds coming our way; 8) We will kick off our fiscal year 2024 budget discussion on September 23rd; 9) Upcoming retirement of Deidre White on November 1, 2022. We to recognize and thank her for her 30 years of service; 10) National Council on State Housing Agencies annual conference in Houston, October 22-25; 11) Conference in Houston is the same week as our next scheduled board meeting. We will need to reschedule the meeting and will reach out to board members to find out what date works best.

X. **OTHER MATTERS.** CHAIR LEVALLEY asked if there were any other matters to properly come before the board.

1. **Monthly Loan Reports.** Public Housing, Finance, and Mortgage Departments reports were presented for discussion and review.

2. **Schedule of Board Meeting:**

Audit Committee	October 26, 2022 8:30 a.m. Anchorage
ACAH Annual Membership BOD Meeting	October 26, 2022 9:30 a.m. Anchorage
ACAH Annual BOD Meeting	October 26, 2022 9:30 a.m. Anchorage
AHFC Regular BOD Meeting	October 26, 2022 10:00 a.m. Anchorage

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.** JESS HALL moved for the board to go into executive session. COMMISSIONER MAHONEY seconded the motion. The board went into executive session at 11: 30 a.m. Back on record at 12:32 p.m. After the board came out of executive session, CHAIR LEVALLEY stated that the board came to a decision of a 5% wage increase for our executive director, Bryan Butcher. He asked for a motion. COMMISSIONER MAHONEY moved for a 5% increase for our executive director. JESS HALL seconded the motion. A roll call vote was taken, and the motion passed unanimously. (6-0)

XII. **ADJOURNMENT** CHAIR LEVALLEY stated that with no other matters to consider, he asked for a motion to adjourn. JESS HALL moved to adjourn. COMMISSIONER MAHONEY seconded. Seeing and hearing no objections, the meeting was adjourned at 12:35 p.m.

ATTESTED:


Brent LeValley
Board Chair


Bryan Butcher
CEO/Executive Director