
**ALASKA HOUSING FINANCE CORPORATION
BOARD OF DIRECTORS**

ANNUAL MEETING

October 20, 2021

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met October 20, 2021 in the AHFC boardroom through WebEx, 4300 Boniface Parkway in Anchorage, AK at 10:00 a.m. Board members present via WebEx were:

BRENT LEVALLEY
Via teleconference

CHAIRMAN
Member of the Board

VIVIAN STIVER
Via teleconference

VICE CHAIR
Member of the Board

HAVEN HARRIS
Via teleconference

Member of the Board

JESS HALL
Via teleconference

Member of the Board

LUCINDA MAHONEY
Via teleconference

Commissioner
Department of Revenue

JULIE ANDERSON
Via teleconference

Commissioner
Department of Commerce,
Community & Economic
Development

- 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 be approved as presented. Seeing and hearing no objections, the agenda was approved as presented.



III. **MINUTES OF JUNE 30, 2021.** CHAIR LEVALLEY asked for revisions or acceptance of the minutes. Seeing and hearing no objection, the minutes were approved as presented.

IV. **PUBLIC COMMENTS.** In Anchorage: no public were present. In Fairbanks: no public were present. In Juneau: no public were present.

V. **OLD BUSINESS.** No Old Business to discuss with the Board.

VI. **A. ELECTION OF OFFICERS.** CHAIR LEVALLEY opened the floor for nominations for Board Chair and Vice Chair. HAVEN HARRIS nominated BRENT LEVALLEY for board chair and VIVIAN STIVER for vice chair. JESS HALL seconded the motion. BRENT LEVALLEY was unanimously elected as BOARD CHAIR and VIVIAN STIVER was unanimously elected as VICE CHAIR. The nominations were unanimously approved by roll call vote. (6-0)

B. CONSIDERATION OF A \$1,500,000 LOAN REQUEST FROM COOK INLET LENDING CENTER, INC. UNDER THE LOANS TO SPONSORS PROGRAM. BRYAN BUTCHER introduced the item and JAN MIYAGISHIMA PRESENTED. Ms. Miyagishima stated that Cook Inlet Lending Center, Inc. has applied for \$1,500,000 in sponsor funds for the purpose of continuing its loan program for down payment and closing cost assistance for borrowers. The Loans-to-Sponsors Program was designed to provide housing or improve the quality of housing for persons of lower-to-moderate-incomes who would not otherwise have these opportunities. CILC is competently administering a comprehensive program that meets the definition and intent of the LTSP. This request for funds allows CILC to continue a mutually beneficial program, which has been very successful in facilitating home ownership and improving the quality of housing. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2021-12. VIVIAN STIVER seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-12

RESOLUTION APPROVING A \$1,500,000 LOAN TO PROVIDE FUNDS UNDER THE LOANS-TO-SPONSORS PROGRAM TO COOK INLET LENDING CENTER, INC.



C. **CONSIDERATION OF A \$1,500,000 LOAN REQUEST FROM FAIRBANKS NEIGHBORHOOD HOUSING SERVICES, INC. UNDER THE LOANS TO SPONSORS PROGRAM.** BRYAN BUTCHER introduced the item and Jan MIYAGISHIMA presented. Ms. Miyagishima stated that Fairbanks Neighborhood Housing, Inc. has applied for \$1,500,000 to fund its down payment/closing cost and home improvement loan programs. Since 1996, and at various times thereafter, Fairbanks Neighborhood Housing Services, Inc. was approved for funding under the Loans-to-Sponsors Program to provide funds for its down payment/closing cost assistance and home improvement loan programs, which assist in the financing of and improvement of housing for persons of lower- to- moderate-income. The proposed financing falls within the established Loans-to-Sponsors program regulations and the proposed financing is found to be an acceptable risk to Alaska Housing Finance Corporation. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2021-13. JESS HALL seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-13

RESOLUTION APPROVING A \$1,500,000 LOAN TO PROVIDE FUNDS UNDER THE LOANS-TO-SPONSORS PROGRAM TO FAIRBANKS NEIGHBORHOOD HOUSING SERVICES, INC.

D. **REVIEW AND APPROVAL OF AHFC'S FY2023 CAPITAL AND OPERATING BUDGET.** BRYAN BUTCHER introduced the item and JAMES WIEDLE presented. Mr. WIEDLE stated that Alaska Housing Finance Corporation's Budget department has responsibility for preparing AHFC's operating and capital budgets. The process begins in August with distribution of instructions to all departments. Departments submit their proposed budgets to the Budget department. The Budget department takes these requests and develops a preliminary budget, further modified and then approved by the AHFC's Executive Office. AHFC presented its proposed FY2023 budget to the Office of Management and Budget (OMB) on Sept. 29, 2021. The budget presented today, for AHFC board approval, is a result of these efforts. AHFC is requesting an operating budget funding increment of \$3.2 million from FY2022. The proposed FY2023 operating budget is \$103,063,090. AHFC is requesting a capital budget of \$48.3 million, a decrease of \$12 million from FY2022. Discussion followed. VIVIAN STIVER made a motion to approve Resolution 2021-14. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-14

RESOLUTION TO AUTHORIZE ALASKA HOUSING FINANCE CORPORATION TO SUBMIT THE FY2023 OPERATING AND CAPITAL BUDGETS THROUGH THE DEPARTMENT OF REVENUE TO THE GOVERNOR'S OFFICE FOR SUBMITTAL TO THE STATE LEGISLATURE.

E. CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$175,000,000 GENERAL MORTGAGE REVENUE BONDS II IN ONE OR MORE SERIES AND APPROVING RELATED MATTERS. BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that Staff is proposing the issuance of up to \$175 million General Mortgage Revenue Bonds II, 2021 (the “Bonds”), in one or more series, similar to other previously approved General Mortgage Revenue Bonds II, of which there are approximately \$480 million outstanding. The Bonds will be issued as tax-exempt, fixed rate bonds with proceeds being used for the following purposes:

- New low-cost financing for qualified mortgage loan borrowers under our First Home Limited Program and Veteran’s First Home Limited Program
- Current refunding of certain outstanding pre-Ullman debt obligations, thus lowering our cost of capital and allowing us to maximize our single-family mortgage recycling. AHFC staff and our financial advisor, Masterson Advisors, agree that the most appropriate method-of-sale is a negotiated sale executed through a competitive RFP process because it achieves the best financing structure and lowest borrowing costs. We sent out a request for proposals to choose the most qualified underwriter, and a committee evaluated all responses based on bond structure, pricing spreads, total costs, banking firm and AHFC relationship. Jefferies received the highest overall score and was chosen as the book-running senior manager for the transaction. Raymond James was second in scoring and thus appointed as co-senior manager. Barclays, Bank of America, Wells Fargo and Ramirez were all recommended as co-managers to help sell the Bonds during the pricing period. In accordance with our Fiscal Policies and subject to the Board’s concurrence with the above findings, this Bond Resolution approves the various Bond documents and authorizes the sale of the Bonds by a negotiated method-of-sale with the underwriting group chosen by the evaluation committee. Discussion followed. LUCINDA MAHONEY made a motion to approve Resolution 2021-15. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-15

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$175,000,000 AGGREGATE AMOUNT OF GENERAL MORTGAGE REVENUE BONDS II IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE FOR EACH SUCH SERIES TO SECURE SUCH 2021 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS AND ONE OR



MORE CONTINUING DISCLOSURE CERTIFICATES RELATING TO THE SALE OF THE 2021 BONDS; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE 2021 BONDS AND THE DISTRIBUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO THE 2021 BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

F. CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$3,000,000 CONDUIT REVENUE BONDS, 2021 (WILLOW POINTE PROJECT) AND APPROVING RELATED MATTERS. BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that The Willow Pointe Project (hereafter, the "Project") is a 24-unit multifamily senior rental housing facility for low income tenants in Palmer, Alaska. Financing for the Project includes 4% low-income housing tax credits, which in turn require that at least 50% of Project costs be funded with proceeds from the sale of tax-exempt bonds. The proposed Revenue Bonds, 2021 (Willow Pointe Project) (hereafter, the "Bonds") satisfy that requirement. The Bonds will be sold directly to the construction lender, Northrim Bank (hereafter, the "Purchaser"), in a private placement transaction secured solely from loan payments received from Willow Pointe-Palmer Associates, Limited Partnership (hereafter, the "Borrower"). No AHFC and/or State of Alaska assets or revenues will be pledged to the payment of the Bonds, nor shall the Bonds constitute a liability or debt obligation of AHFC or the State. Subject to the Board's approval and in accordance with AHFC policies, the attached Resolution 21-16 approves the various transaction documents and authorizes the private placement of up to \$3,000,000 of Bonds with the Purchaser. Attached for the Board's review are drafts of the Loan Agreement, Assignment, and Bond Purchase Agreement, each in substantially final form. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2021-16. VIVIAN STIVER seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-16

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF A NOT TO EXCEED \$3,000,000 REVENUE BOND, 2021 (WILLOW POINTE PROJECT); AUTHORIZING AN AGREEMENT TO ISSUE BOND AND ASSIGNMENT TO SECURE SAID BOND; AUTHORIZING A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF SAID BOND; AND AUTHORIZING AND APPROVING RELATED MATTERS.



G. CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$5,000,000 CONDUIT REVENUE BONDS, 2021 (LITTLE DIPPER APARTMENTS PROJECT) AND APPROVING RELATED MATTERS. BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that The Little Dipper Apartments Project, a 52-unit multi-family affordable housing development in Fairbanks, Alaska, sponsored and owned by Steele Willow LLC, includes 4% low-income housing tax credits, which require that 50% of the project costs be funded with tax-exempt bonds. This conduit revenue bond issuance satisfies that IRS requirement. Structuring an affordable housing financing package like this provides developers with the necessary funding sources to complete the project. The bonds will be sold directly to the construction lender and serviced by the borrower, Steele Willow LLC. The borrower has chosen KeyBank National Association as their construction lender so this bond transaction will be a private placement and not a public sale. AHFC will act only as an administrator and no corporate funds or credit will be used. Subject to the Board's approval and in accordance with our policies, this Bond Resolution approves the various bond documents and authorizes the sale of up to \$5,000,000 in bonds by private placement to KeyBank National Association. Attached for review are drafts of the Loan Agreement, Trust Indenture, Regulatory Agreement and the Bond Purchase Agreement. Discussion followed. VIVIAN STIVER made a motion to approve Resolution 2021-17. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (6-0)

RESOLUTION #2021-17

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS, 2021 (LITTLE DIPPER APARTMENTS PROJECT) IN AN AMOUNT NOT TO EXCEED \$5,000,000; AUTHORIZING A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF SAID BONDS; AUTHORIZING AN INDENTURE AND LOAN AGREEMENT TO SECURE SAID BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

VII. REPORT OF THE CHAIR. CHAIR LEVALLEY thanked the AHFC Staff for their diligence to in administering the CARES Act and Relief Funds.

VIII. BOARD COMMITTEE REPORTS. KEVIN TUNE gave an overview of the Audit Committee Meeting that was held this morning.

IX. REPORT OF THE EXECUTIVE DIRECTOR. BRYAN BUTCHER reported on: 1.) Pandemic update; 2.) Emergency Rental Assistance (ERA) program updates; 3.) Mayor Dave Bronson transition team budget meetings; 4.) Meeting with CHO Jim Winegarner and Anch Community Development Authority Mike Robbins, (Wed, 9/1);



5.) Anchorage Homeless Leadership Council update; 6.) AHFC 50th anniversary and AHFC Participation at the fair for our 50th Anniversary; 7.) Interior Housing Discussion with Senator Sullivan, other Fairbanks folks (Tues, 7/27); 8.) AAHA Annual Meeting (Mon 8/8 & Tues 8/9); 9.) Foraker update - Sultana new board meeting (Wed, 8/18 & Thurs 9/9); 10.) NAHRO National Association of Housing and Redevelopment Officials visit (Thurs 8/19 & Fri, 8/20); 11.) PHD Annual Workshop week (Started Mon 9/20); 12.) Rent relief round two interview on Tom Anderson show (Tues, 9/21); 13.) NCSHA 50th Annual Conference was the MC for the national awards presentation (Sun 9/26 - Weds, 9/29); 14.) CIHA Spenard East development event, (Thurs, 9/30); 15.) 1. AHFC Retirements: Eric Dale - IS Database Administrator VI - last day 8/31/2021 - 30 years state service. Soren Johansson - Public Relations Manager last day 9/3/2021 - 10 years state service; 16.) AKBA annual meeting, (Fri, 11/19); 17.) Next Meetings: NTSC Annual Membership and BOD Meetings at 9:30am and AHFC BOD Meeting at 10:00am. (Wed, 11/17).

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

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

2. Schedule of Board Meetings:

NTSC Annual Membership Meeting	November 17, 2021 9:30 am	Anchorage
NTSC Annual BOD Meeting	November 17, 2021 9:30 am	Anchorage
AHFC Regular BOD Meeting	November 17, 2021 10:00 am	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.**

Motion to go into Executive session: Haven Harris; 2nd by Vivian Stiver
Off Record: 10:56 a.m. EXECUTIVE SESSION
On Record: 11:09 a.m.

CHAIR LEVALLEY introduced the item into record. CHAIR LEVALLEY stated that this was the CEO Bryan Butcher's annual review, Mr. Butcher has done exemplary work, and a salary increase of 3% was motioned by VIVIAN STIVER. HAVEN HARRIS seconded the motion and approved unanimously by roll call vote of the board (6-0).

No other business decisions were made to discuss with the public by the board during the Executive Session.

XII. OTHER MATTERS. CHAIR LEVALLEY asked if there were any other matters to properly come before the board. HAVEN HARRIS made a motion to adjourn. Seeing and hearing no objections, the meeting was adjourned at 11:11 a.m.

ATTESTED:



Brent LeValley - Board Chair



Bryan Butcher
CEO/Executive Director

