Exhibit 16-5

Sponsor Based Rental Assistance – Bridgeway Community Housing, Wasilla

AHFC Policy

Authority for this activity is contained in AHFC's Moving to Work Agreement with the U.S. Department of Housing and Urban Development through Attachment D, which provides for "broader uses of funds." Establishment of a sponsor-based rental assistance program was proposed through Moving to Work Activity 2011-4d and approved by the AHFC Board of Directors on April 28, 2021 with Resolution 2021-07. AHFC may agree to enter into successive three-year extensions of the contract prior to the expiration date of any contract period. An extension may not exceed the AHFC Moving to Work Agreement with HUD which is scheduled to end June 30, 2028.

This activity was consolidated under Moving to Work Activity 2011-4d Establish a Sponsor Based Rental Assistance Program in the Fiscal Year 2023 Moving to Work Plan.

Phase I- The Sponsor Based Rental Assistance (SBRA) Housing Assistance Payments contract began on April 28, 2021 with an initial term of three years and subsidizes 17 units. Additional units at the development include:

- Six (6) units are subsidized with Section 811 funds that must remain compliant with those regulations.
- One (1) unit receives no subsidy and is reserved for a resident manager.
- A detailed listing of the units can be found on the monthly AHFC billing form.

Phase II- The Sponsor Based Rental Assistance (SBRA) Housing Assistance Payments contract began on September 21, 2023 with an initial term of three years and subsidizes 18 units.

- All eighteen (18) units are UFAS equipped for mobility and sensory impairments.
- A detailed listing of the units can be found on the monthly AHFC billing form.

1. Owner-Managed Functions

The owner of this property is Wasilla PSH Associates, an Alaska Limited Partnership. Valley Residential Services is the managing agent. The owner determines annual income using HUD regulations at 24 CFR 5.603 and uses the AHFC-approved income calculation form.

- The minimum rent is set at $50
- Total assets less than $10,000 may be self-certified by the applicant
- Tenant rent is calculated at 28.5% with no deductions

- The Student Rule is applicable for this development

1.A Income at New Admission

At the time of admission:
- Section 811 and SBRA units – a family must have gross annual income at or below 30 percent of area median income.
- Manager unit – no restriction

1.B Annual Examinations

Income examinations are conducted annually for every SBRA subsidized tenant.

1.C Interim Examinations

Interims are not required except in the following instances:
- An imminent change reported by a tenant/applicant
- To correct any calculation error

1.D Minimum Rent Exemption

The 1998 Quality Housing and Work Responsibility Act (QHWRA, in regulation at 24 CFR 5.630) required PHAs to establish:
- Minimum rents in an amount not more than $50, and
- Procedures to exempt families from paying minimum rents in cases of financial hardship.

Bridgeway tenants are eligible to participate in this process (see the Minimum Rent Exemption exhibit for process).

2. Eligibility

As a sponsor-based rental assistance program, individuals eligible to live at Bridgeway Community Housing are not subject to standard AHFC screening criteria. The Operator will maintain a waiting list.

Phase I: Eligible Households must be comprised of one or more homeless members who meet the definition of a person with a disability or an Alaska Mental Health Trust beneficiary (see Definitions section).

Bridgeway's targeted population comprises that segment of the homeless population that is inappropriately housed in assisted living or experiences psychiatric hospitalization and/or incarceration, multiple or lengthy episodes of substance abuse treatment, multiple eviction proceedings, and/or multiple Office of Children's Services (OCS) interventions, and hard-to-house clients.

Phase II: Eligible Households must be comprised of one or more homeless members who meet the definition of a person with a disability or the State of Alaska homeless definition (see Definitions section).

Bridgeway Phase II's targeted population comprises that segment of the homeless population that is experiencing homelessness with a mental or developmental disability.

3. Inspections

The owner conducts each move-in inspection and an annual building inspection using the AHFC-supplied forms. The inspector must be familiar with NSPIRE inspection standards.

Quality assurance (QA) inspections are conducted in accordance with the National Standards for the Physical Inspection of Real Estate (NSPIRE) by AHFC. The sampling of inspections is selected in accordance with procedures set forth in the Quality Assurance chapter.

4. Monthly Payments

A monthly invoice is submitted to AHFC for rental assistance payments by the 20th of the month using the AHFC-supplied form for the coming month.

- The PHD Central Office reviews each invoice for accuracy.
- The Public Housing Director or designee approves the reviewed invoice for payment.
- A copy of the signed invoice goes to the following Support Services staff: Housing Management Specialist II (HCV), Housing Management Specialist IV, and the Support Services Manager.
- Payments are made to the owner on or about the second business day of each month.

5. Contract Rent Increases

Requests for an increase in the contract rent are submitted to the PHD Central Office for processing. The owner may request a rent increase annually. The increase request must be in writing at least 60 days prior to the annual anniversary with documentation for the increase. Rent reasonableness is completed by AHFC using three comparable units for each bedroom size and a signed Rent Reasonableness Certification. The annual anniversary date is May 1 for units in phase I. The annual anniversary date is October 1 for units in phase II.

6. Quality Assurance Reviews

AHFC conducts Quality Assurance (QA) Reviews. The following processes are reviewed: Waiting List and Coordinated Entry Referral Management, Denied Applicants, Vacancy rates and efforts to maintain acceptable leasing rates, Tenant Files may include tenant ledgers, Owner's Policies and Procedures, Forms, and Invoice Submissions.

Discrepancies from the review process are discussed with the owner and any necessary corrections are made.

7. Bridgeway Community Housing Documentation

The sponsor-based contract, rent increase requests, initial building inspection, quality assurance inspections, and rent reasonableness certifications and unit comparables are kept in the office/second file cabinet of the Policy & Program Manager. The contracts and rent increases are posted on the AHFC Intranet under Public Housing → Resources → Contracts.

8. Definitions

8.A Chronically Homeless

A Chronically Homeless person is a~~n unaccompanied~~ homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years. In order to be considered *Chronically Homeless, a person must have been sleeping in a place not meant for human habitation (e.g., living on the streets) and/or in an emergency homeless shelter.

8.B Disability

HUD Regulation 24 CFR 5.403

Person with disabilities:

(1) Means a person who:

(i) Has a disability, as defined in 42 U.S.C. 423;

(ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:

(A) Is expected to be of long-continued and indefinite duration;

(B) Substantially impedes his or her ability to live independently, and

(C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or

(iii) Has a developmental disability as defined in 42 U.S.C. 6001.

(2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;

(3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and

(4) Means ‘‘individual with handicaps’’, as defined in § 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.

8.C Disabled Family

HUD Regulation 24 CFR 5.403

Disabled family means a family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

8.D Homeless

This definition is from the Federal Home Loan Bank of Des Moines Affordable Housing Program.

A household made up of one or more individuals, other than individuals imprisoned or otherwise detained pursuant to state or federal law, who:

(1) lack a fixed, regular, or adequate nighttime residence; or

(2) have a primary nighttime residence that is:

- (a) a supervised publicly or privately owned operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or
- (b) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, camping ground, etc.

(3) Additionally, households will be considered to be homeless if they:

- (a) are fleeing or attempting to flee domestic violence or other dangerous or life threatening conditions;
- (b) will imminently lose their housing, including housing they own, rent, or live in without paying rent or are sharing with others; or
- (c) are “doubled-up” temporarily in another household’s dwelling unit.

8.E Homeless (State of Alaska Definition for Phase II)

This definition is from Alaska Statute 18.56.090(f).

The state of an individual who lacks a fixed, regular, and adequate nighttime residence, and includes an individual who:

(1) shares the housing of other individuals because of loss of housing, economic hardship, domestic violence, or a similar reason;

(2) lives in a motel, hotel, trailer park, or camping ground because of the lack of alternative adequate accommodations;

(3) lives in an emergency or transitional shelter;

(4) is abandoned in a hospital;

(5) waits for a foster care placement;

(6) has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings;

(7) lives in a car, a park, a public space, an abandoned building, substandard housing, a bus or train station, or a similar setting;

(8) is fleeing a domestic violence situation, does not have an alternative residence, and lacks the resources and support needed to obtain housing;

(9) is being evicted within a week, does not have an alternative residence, and lacks the resources and support needed to obtain housing;

(10) is being discharged within a week from an institution, including a mental health treatment facility, substance abuse treatment facility, or prison, in which the individual has been a resident for more than 30 consecutive days, does not have an alternative residence, and lacks the resources and support needed to obtain housing.

8.F Mental Health Trust Beneficiary

A Mental Health Trust Beneficiary is defined as a person experiencing one or more of the following:

1. Mental illness, where "Severely mentally ill adult" is defined as an adult (18 years of age or older) with any mental disorder that is generally recognized to be

persistent and to be disabling, with any mental disorder that is generally recognized to be persistent and to be disabling, with or without psychotic features. This population includes all the persons who were previously defined as "Chronically Mentally Ill (CMI) Adults" and those who were previously defined as "Severely Emotionally Disturbed (SED) Adults."

2. Chronic alcoholism with psychosis;
3. Alzheimer's disease or related dementia;
4. Developmental disabilities.

8.G Special Guidance on Serving Youth

Youth are eligible to receive Permanent Supportive Housing Program Assistance only if they meet the criteria listed under Homeless (Paragraph 3), and they are not wards of the state under the state law where the youth resides.

Documentation of Homeless Compliance/Eligibility Required

In addition to the documentation identified above, Owners serving youth must have written verification that the youth are not wards of the state. All youth must be at least 18 years of age or legally emancipated.

Numbered Memo

23-24 Exhibits 16-5 and 16-7 SBRA