

Exhibit 16-15

Sponsor Based Rental Assistance – Borealis Park, Fairbanks

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 with the Alaska Corporation for Affordable Housing was proposed through Moving to Work Activity 2023-3b and approved by the AHFC Board of Directors on April 26, 2023 with Resolution 2023-03. 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, 2038.

The Sponsor Based Rental Assistance (SBRA) Housing Assistance Payments contract began on November 14, 2024 with an initial term of three years and subsidizes 40 units.

- 18 One-bedroom units
- 17 Two-bedroom units
- 5 Three-bedroom units
- A detailed listing of the units can be found on the monthly AHFC billing form.

1. Owner/Operator-Managed Functions

The owner and manager of this property is Alaska Corporation for Affordable Housing. The management determines annual income using HUD regulations at 24 CFR 5.609 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 does apply to this development

1.A Income at New Admission

At the time of admission, families must have a gross annual income that does not exceed 60 percent of area median income as determined by the U.S. Department of Housing and Urban Development.

1.B Annual Examinations

Income examinations are conducted annually for every SBRA subsidized tenant.

1.C Interim Examinations

The management conducts an interim examination for an increase in income according to the manager's policies and procedures. An interim for a decrease is completed when reported.

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.

Borealis Park 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 Borealis Park are not subject to standard AHFC screening criteria. The Operator will maintain a waiting list.

3. Inspections

The management conducts each move-in inspection and an annual building inspection using the AHFC-supplied forms. The inspector must be familiar with the National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection standards.

Quality assurance (QA) inspections are conducted in accordance with 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 IV and the Support Services Manager.
- Payments are made to the management 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. Management 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 December 1.

6. Quality Assurance Reviews

AHFC conducts Quality Assurance (QA) Reviews. The following processes are reviewed: Waiting List, 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 management and any necessary corrections are made.

7. Borealis Park 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.

Numbered Memo

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