

ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS MEETING

March 25, 2026

Anchorage

10:00 a.m.

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. MINUTES: January 28, 2026
Next Resolution: #26-02
- IV. PUBLIC COMMENTS
- V. OLD BUSINESS: None
- VI. NEW BUSINESS:
 - A. Consideration of a Resolution Authorizing the Issuance and Sale of Not to Exceed \$22,000,000 Revenue Bonds, 2026 (Coho Park and Chinook Apartments Project), and Authorizing and Approving Related Matters. (26-02)
 - B. Consideration of a Resolution Authorizing the Issuance and Sale of Not to Exceed \$125,000, 000 State Capital Project Bonds II, in One or More Series, and Authorizing and Approving Related Matters. (26-03)
 - C. Consideration of a Resolution Authorizing Public Hearings for Amendments to: 15 AAC 154.010 to 15 AAC 154.090-Article 1-Provisions Applicable to All Grant Programs- 15 AAC 154.700 to 15 AAC 154.835-Article 7- Grant Management – 15 AAC 154.900 to 15 AAC 154.910 – Article 9- Other Grant Programs. (26-04)
- 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



ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS REGULAR MEETING MINUTES

January 28, 2026

Anchorage/Juneau/Fairbanks

10:00 a.m.

The Board of Directors of Alaska Housing Finance Corporation (AHFC) met January 28, 2026, in the AHFC Board Room, 4300 Boniface Parkway in Anchorage, Alaska, at 10:00 a.m. Board members present in the room and via teleconference were:

JESS HALL	Chair Member of the Board
BRENT LEVALLEY (telephonic)	Vice-Chair Member of the Board
ALLEN HIPPLER (telephonic)	Member of the Board
LLEWELLYN SMYTH	Designee for Commissioner Department of Revenue Member of the Board
LEAH VAN KIRK (telephonic)	Designee for Commissioner Department of Health Member of the Board

- I. **ROLL CALL:** CHAIR HALL 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 HALL asked if there were any changes to the agenda. LLEWELLYN SMYTH **moved** to approve the agenda as presented. BRENT LEVALLEY **seconded**. Hearing no objections, the agenda was **approved as presented**.
- III. **APPROVAL OF December 3, 2025, MEETING MINUTES:** CHAIR HALL asked for a motion to approve the minutes. LLEWELLYN SMYTH **moved** to approve the December 3, 2025 meeting minutes as presented. BRENT LEVALLEY **seconded**. Hearing no objections, the meeting minutes were **approved as presented**.
- IV. **PUBLIC COMMENTS:** There were no public comments.
- V. **OLD BUSINESS:** There was no old business to come before the Board.



VI. NEW BUSINESS:

A. Consideration of a Resolution to Approve the GOAL Program Rating and Award Criteria, Also Known as the Qualified Allocation Plan, For Use with the Greater Opportunities for Affordable Living Program. (26-01) BRYAN BUTCHER introduced this item and DANIEL DELFINO and ANDY PETRONI presented. Mr. Delfino explained modifications to the plan, which have not been updated since some of the team members tenure at AHFC stating files go back to 1992 when AHFC was using WordPress. Mr. Petroni proposed two changes to the Qualified Allocation Plan (QAP): (1) moving the fee schedule to public documents to be fairer to developers. And (2) raising fees to a flat fee of \$50,000 for all projects (for-profit and non-profit). Mr. Petroni explained the changes were reached through a public comment process December 26, 2025-January 16, 2026. AHFC received comments from six organizations, who asked for timing of when fees would be due and the effect of a larger fee on small projects. Through feedback, planning department recommends the fee be due at the very end of the project. To remain consistent with AHFC fee schedule and not additionally burden the projects, these fees will be only eligible to projects after this measure is approved, with the first fees paid as earliest in late 2028. After a discussion, LLEWELLYN SMYTH made a motion to approve resolution 26-01. BRENT LEVALLEY seconded the motion. Roll call vote was taken. Motion passed 5-0.

VII. REPORT OF THE CHAIR: A moment of recognition for James Wiedle, who is retiring after 32 years in state service, most of which was with AHFC. He has been budget director for a decade, and the public face for budget dealings with the governor's office and the legislature.

VIII. BOARD COMMITTEE REPORTS: LLEWELLYN SMYTH reported that the Audit Committee met January 28, 2026 and received Eide Bailly's presentation on the FY25 external audit including governance letter and single audit report management responses. Committee also reviewed and approved FY26 internal audit reports and received the FY26 audit activities update.

IX. REPORT OF THE EXECUTIVE DIRECTOR: BRYAN BUTCHER updated the board on the start of the legislative session and ongoing budget meetings in Juneau, noting that updates will be shared throughout the spring. He stated that AHFC will continue coordination with state agencies and partners to identify land for both market-rate and affordable housing, and collaboration with the economic development subcabinet. The governor recognized AHFC in his State of the State address with new initiatives forthcoming. AHFC also received a Triple-A credit rating upgrade from Standard & Poor's ahead of the upcoming bond deal. Mr. Butcher recognized James's long service and impact through the Rural Professional Housing Program, announced his retirement celebration, and confirmed the next board meeting date for Wednesday, February 25 at 10 am.

X. ANY OTHER MATTERS TO COME BEFORE THE BOARD

1. Monthly Reports. Directors of Finance and Mortgage presented their monthly reports for discussion and review.

2. **Meeting Schedule**

AHFC Regular Board Meeting

March 25, 2026

XI. **EXECUTIVE SESSION.** There was no Executive Session.

XII. **ADJOURNMENT:** LLEWELLYN SMYTH **moved** to adjourn the meeting. LEAH VAN KIRK **seconded**.

Chair Hall adjourned at 10:38 a.m.

ATTESTED:

Jess Hall
Board Chair

Bryan Butcher
CEO/Executive Director

ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: March 25, 2026

Staff: Mike Strand

Item: Conduit Revenue Bonds, 2026 (Coho Park and Chinook Apartments Project)

Proposal:

Staff is proposing the issuance of up to \$22,000,000 Conduit Revenue Bonds, 2026 (Coho Park and Chinook Apartments Project) (the “Bonds”).

Background:

The Coho Park and Chinook Apartments Project (the “Project”) comprises the rehabilitation of two multifamily rental housing facilities for low-income tenants in Juneau, Alaska, totaling 116 units. Financing for the Project includes 4% low-income housing tax credits, which require that 25% of the Project costs be funded with tax-exempt bonds. The proposed Bonds fulfill that IRS requirement and provide developers with the necessary funding sources to complete the Project.

Bond Issue:

AHFC will sell the Bonds directly to the funding lenders, 1862 SPV I LLC, 1860 SPV I LLC, and 14751 SPV I LLC (each an investment fund of PIMCO and, collectively, the “Funding Lender”), in a private placement pursuant to a Funding Loan Agreement. AHFC will then lend the proceeds to Steele Juneau LLC (the “Borrower”), pursuant to a Project Loan Agreement, to pay for Project costs. The Project Loan Agreement provides for payments by the Borrower in amounts sufficient to pay principal and interest on the Bonds when due. The Borrower and AHFC will additionally enter into Regulatory Agreements ensuring that the Project qualifies for exclusion from gross income for federal tax purposes. Payments by the Borrower will be the sole source of revenues for payment of the Bonds, and no assets of AHFC will be pledged to the payment of the Bonds.

Resolution and Documents:

The attached resolution authorizes the issuance and sale of up to \$22,000,000 Bonds and approves related matters. Attached for the Board’s review are drafts of the Funding Loan Agreement, Project Loan Agreement, and Regulatory Agreements.

Recommendation:

Staff recommends Board approval.



**BOARD RESOLUTION OF
ALASKA HOUSING FINANCE CORPORATION
RESOLUTION NO. 26-02**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION
AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS, 2026
(COHO PARK AND CHINOOK APARTMENTS PROJECT) IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$22,000,000;
AUTHORIZING A FUNDING LOAN AGREEMENT AND PROJECT LOAN
AGREEMENT RELATING TO THE SALE OF SAID BONDS; AND
AUTHORIZING AND APPROVING RELATED MATTERS.**

WHEREAS, the Alaska Housing Finance Corporation (the “Corporation”) has determined to issue its Revenue Bonds, 2026 (Coho Park and Chinook Apartments Project), the aggregate principal amount of which will not exceed \$22,000,000 (the “Bonds”); and

WHEREAS, a Project Loan Agreement (the “Project Loan Agreement”) will be entered into by the Corporation, Zions Bancorporation, National Association, as fiscal agent (the “Fiscal Agent”) and Steele Juneau LLC, an Alaska limited liability company (the “Borrower”) pursuant to the terms of which the Corporation will make a loan of the Bond proceeds to the Borrower, and the Borrower will use the loan proceeds to pay the costs of the following (or to reimburse the Borrower for the payment of such costs): (1) development of two multi-family rental housing facilities in Juneau, Alaska, totaling 116 units, for low income tenants, known as Coho Park (consisting of 52 units) and Chinook Apartments (consisting of 64 units) (together, the “Project”), and (2) certain related expenses; and

WHEREAS, the Bonds will be limited revenue obligations of the Corporation issued under and pursuant to a Funding Loan Agreement entered into by the Corporation, the Fiscal Agent and 1862 SPV I LLC, a Delaware limited liability company, 1860 SPV I LLC, a Delaware limited liability company and 14751 SPV I LLC, a Delaware limited liability company (each a related Pacific Investment Management Company LLC entity), collectively as funding lender (the “Funding Loan Agreement”), which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, to provide for qualification of the interest on the Bonds for exclusion from gross income for federal income tax purposes, the Borrower, the Corporation and Zions Bancorporation, National Association, as compliance agent, will enter into one or more Bond Regulatory Agreements (the “Bond Regulatory Agreement” and, together with



the Project Loan Agreement and the Funding Loan Agreement, the “Bond Documents”), which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, the Project Loan Agreement provides for payments by the Borrower in amounts that will be sufficient to pay principal of and interest on the Bonds when due; and

WHEREAS, such payments by the Borrower will be the sole source of revenues for payment of the Bonds, and no assets or revenues of the Corporation will be pledged to the payment of the Bonds; and

WHEREAS, the final forms of the Bond Documents shall be substantially in the same form and content as the forms of the Bond Documents presented at this meeting; and

WHEREAS, all consents, proceedings, and approvals necessary for the authorization, sale, and delivery of the Bonds have been taken or received or will have been taken or received at the time of sale and delivery of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALASKA HOUSING FINANCE CORPORATION THAT:

Section 1. In order to provide funds to finance the Project, the issuance of, and the performance by the Corporation of the obligations contained in, the Bonds are hereby authorized, approved, and confirmed; provided, however, that the Bonds (1) are in an aggregate principal amount not to exceed \$22,000,000, (2) bear interest at a rate or rates determined by an Authorized Officer (as defined below), but not to exceed 8%, and (3) are in substantially the form and content set forth in the Funding Loan Agreement but with such changes to the form and content as any of the Authorized Officers shall consider necessary or appropriate; and provided, further, that the Bonds may not create a general obligation indebtedness of the Corporation but shall be payable solely from the revenues identified in the Funding Loan Agreement.

The Bonds do not constitute the indebtedness or other liability of the State of Alaska or any political subdivision thereof, but shall be payable solely from certain of the payments to be made by the Borrower under the Project Loan Agreement and certain other sources as identified in the Funding Loan Agreement. The Corporation does not pledge the faith and credit of the Corporation or the State of Alaska or any political subdivision thereof to apply money from, or levy or pledge, any form of taxation to payment of the Bonds.

Section 2. The form and content of, and the performance by the Corporation of the obligations contained in, the Bond Documents presented at this meeting are in all respects authorized, approved, and confirmed. The Chief Executive Officer/Executive Director, the Deputy Executive Director, the Chief Financial Officer/Finance Director, the Budget Director and the Controller (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) are severally authorized to approve, execute, and deliver the final forms of the Bond Documents substantially in the forms presented to this meeting, but with such changes as any of the Authorized Officers shall consider necessary or appropriate. The Authorized Officers may each make or cause to be made any changes, modifications, additions, and deletions in the form or content of the Bond Documents as presented at this meeting as any Authorized Officer may consider necessary, desirable, or appropriate, and each such change, modification, addition, and deletion is hereby authorized, approved, and confirmed. The execution of any Bond Document by any Authorized Officer is conclusive evidence of approval of any and all changes, modifications, additions, or deletions to that Bond Document from the form or content that was presented to this meeting. Each of the Authorized Officers is authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary, useful, or convenient to carry out the provisions of the Bond Documents and to issue, sell, and deliver the Bonds.

Section 3. The Authorized Officers of the Corporation are each authorized to have the Bonds prepared and to execute and authorize the delivery of the Bonds in accordance with the terms of the Funding Loan Agreement upon receipt of the purchase price for the Bonds plus accrued interest. The Authorized Officers are each authorized to do and perform all acts and things and execute any and all documents in the name of the Corporation necessary, useful, or convenient to the issuance and sale of the Bonds.

Section 4. The Authorized Officers are severally authorized, after execution of the Bonds, to deliver the Bonds to the Fiscal Agent for authentication under the Funding Loan Agreement and, upon authentication and upon receipt of the balance of the purchase price of the Bonds, to deliver to the Fiscal Agent a written order in the name of the Corporation directing the Fiscal Agent to deliver the Bonds to the purchaser(s) and to receive the proceeds of sale of the Bonds and related amounts and give a written receipt therefor on behalf of the Corporation, to apply said proceeds and related amounts in accordance with the terms of the Funding Loan Agreement, and to do and perform or cause to be done and performed, for and on behalf of the Corporation, all acts and things that constitute conditions precedent to the authentication and delivery of the Bonds or that are otherwise required or convenient to be done and performed by or on behalf of the Corporation prior to or simultaneously with the delivery of the Bonds.

Section 5. The Authorized Officers are severally authorized for and on behalf of the Corporation to do or cause to be done all acts and things and execute any and all documents and agreements as they deem appropriate and necessary including, without limitation, any investment agreements for the proceeds of the Bonds, all in the name of the Corporation as may be required or desirable to be done by the Corporation (or any Authorized Officer of the Corporation) under and pursuant to the terms of the Funding Loan Agreement and all acts and things required or desirable to be done by the Corporation in accordance with the terms and conditions of the Bond Documents and to provide for the issuance and sale of the Bonds.

Section 6. All Authorized Officers and the Corporation's agents and counsel are severally authorized to take all such further actions, to execute and deliver such further instruments and documents in the name and on behalf of the Corporation, or to otherwise pay all such expenses, as, in their judgment, shall be necessary or advisable in order to fully carry out the purposes of this resolution.

Section 7. All actions previously taken or that will be taken by any Authorized Officer in connection with or related to the matters set forth in or reasonably contemplated by this resolution are, and each of them hereby is, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

Section 8. This Resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Alaska Housing Finance Corporation this _____ day of _____, 2026.

Jess Hall, Chair

ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: March 25, 2026

Staff: Mike Strand

Item: State Capital Project Bonds II, 2026

Proposal:

Staff is proposing the issuance of up to \$125 million State Capital Project Bonds II, 2026 (the “Bonds”), in one or more series, similar to other previously approved State Capital Project Bonds II, of which there are currently \$1.3 billion outstanding.

Background:

AHFC has contributed over \$2.3 billion in dividends to the State, including direct cash transfers, AHFC capital projects, other State agency capital projects and debt service on legislatively appropriated bonds. AHFC leverages these dividend expenditures by selling State Capital Project Bonds and using the proceeds to reimburse ourselves and to current refund prior bonds, therefore allowing us to use low-cost tax-exempt funds to finance non-qualified mortgages. AHFC has issued \$3.1 billion in bonds, including refunding bonds, under the State Capital Project Bonds I & II Indentures.

Bond Issue:

The Bonds will be issued as tax-exempt, fixed rate bonds and will be used to refund certain outstanding obligations, reimburse AHFC for prior governmental purpose expenditures and for any other authorized purpose. The size of the Bonds is limited by prior dividend expenditures or legislative appropriations on qualified capital projects, which are typically capitalized into a bond deal on an annual basis to take advantage of economies of scale and market diversification. Bonds are structured to optimize balance sheet cash flows with shorter lives to minimize yields and are continuously refunded to take advantage of yield curve shifts and to maximize asset leverage.

The Bonds are general obligation bonds and expected to have credit ratings of AA+ and Aa1 from S&P and Moody’s, respectively, equivalent to our issuer credit rating. AHFC anticipates going to market and pricing the Bonds before the end of our fiscal year to raise additional capital at a positive rate spread for business operations. The Bonds as presently structured would have an average life under 10 years and an arbitrage yield around 3%, based on current market prices.



Underwriting:

Together with our financial advisor, Masterson Advisors, staff has concluded that the most appropriate method-of-sale is a negotiated sale executed through a competitive RFP process because it achieves the optimal financing structure and lowest borrowing costs. We sent out a request for proposals in 2024 to choose a group of the most qualified underwriters to manage upcoming bond deals. An evaluation committee from AHFC and Masterson evaluated all responses based on financing plan, banking firm, business relationship, pricing spreads and total costs. Based on the evaluation committee's results, combined with our 3-year capital projection plan, Jefferies was selected from the rotation as the senior manager for this transaction, and Bank of America, Morgan Stanley, Raymond James, RBC and Wells Fargo were chosen as co-managers to help support the sale of the bonds.

Resolution and Documents:

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 chosen underwriting team as specified above. Attached for review are drafts of the Bond documents, including the Preliminary Official Statement, Supplemental Indenture, Bond Purchase Agreement and Continuing Disclosure Certificate.

Recommendation:

Staff recommends Board approval.

RESOLUTION NO. 2026-03

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$125,000,000 STATE CAPITAL PROJECT BONDS II, IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES SUPPLEMENTAL INDENTURE TO SECURE EACH SUCH SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE RELATING TO THE SALE OF EACH SUCH SERIES; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO EACH SERIES OF BONDS AND THE FORM AND DISTRIBUTION OF AN OFFICIAL STATEMENT WITH RESPECT TO EACH SERIES OF BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Corporation has determined to issue additional State Capital Project Bonds II (the “2026 Bonds”); and

WHEREAS, the Corporation may issue the 2026 Bonds in one or more series (each, a “Series”) (which may be taxable or tax-exempt and include separate subseries) at one or more times; and

WHEREAS, the aggregate principal amount of the 2026 Bonds may not exceed \$125,000,000, with such principal amount allocated between or among the Series in the discretion of any of the Authorized Officers as defined herein; and

WHEREAS, the 2026 Bonds will be issued under an Indenture entered into by and between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), dated as of October 1, 2012 (the “Master Indenture”); and

WHEREAS, the 2026 Bonds will be issued pursuant to a Series Supplemental Indenture for each Series, substantially in the form presented at this meeting for the initial Series of 2026 Bonds, and for each additional Series with such modifications as will reflect the terms and conditions of such additional Series (each, a “Supplemental Indenture”); and

WHEREAS, provisions shall be made for the sale of the 2026 Bonds pursuant to a bond purchase agreement for each Series between such underwriters as may be approved by an Authorized Officer, as defined below (collectively, the “Underwriters”) and the Corporation (collectively, the “Bond Purchase Agreement”); and

WHEREAS, in accordance with the Securities and Exchange Commission’s Rule 15c2-12(b)(5), the Corporation proposes to enter into a Continuing Disclosure Certificate, or to execute a certificate embodying the same terms, for each Series



(collectively, the “Continuing Disclosure Certificate”), the form of which is attached as an Appendix to the Preliminary Official Statement (as defined below) presented at this meeting; and

WHEREAS, there has been presented at this meeting the form of a Preliminary Official Statement to be distributed in connection with the initial Series of the 2026 Bonds (the “Preliminary Official Statement”), the final form of which shall contain the final terms of such 2026 Bonds and shall otherwise be substantially in the same form and content as the form of the Preliminary Official Statement presented at this meeting (the “Official Statement”), and such forms shall be used with respect to each additional Series, with such modifications as may be necessary to reflect the terms and conditions of such additional Series (collectively, each Preliminary Official Statement, each Official Statement, each Supplemental Indenture, each Bond Purchase Agreement, and each Continuing Disclosure Certificate are herein referred to as the “Bond Documents”); and

WHEREAS, the 2026 Bonds may bear interest at fixed or variable interest rates, interest may be tax-exempt or taxable, and the Corporation may enter into additional documents, such as a tender agreement, a remarketing agreement, a standby bond purchase agreement, a self liquidity agreement, a reimbursement agreement, a direct-pay letter of credit, custody agreement and other agreements and documents as the Corporation considers necessary, useful, or convenient to facilitate the issuance of any 2026 Bonds with variable interest rates, including other liquidity agreements (the “Additional Documents”); and

WHEREAS, the final form of the Bond Documents shall be substantially in the same form and content as the form of Bond Documents presented at this meeting for the initial Series, as well as for each additional Series, but with respect to each additional Series with such modifications as may be necessary to reflect the terms and conditions of such Series; and

WHEREAS, the final form of the 2026 Bonds shall be substantially in the same form and content as the forms set forth in the applicable Supplemental Indenture, with such modifications as may be necessary to reflect the terms and conditions of the related Series; and

WHEREAS, all consents, proceedings and approvals necessary for the authorization, sale and delivery of the 2026 Bonds have been taken or received, or will have been taken or received as of the time of the sale and delivery of the applicable Series of 2026 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Alaska Housing Finance Corporation that:

Section 1. The issuance of, and the performance by the Corporation of the obligations contained in, each Series of the 2026 Bonds are hereby authorized, approved, and confirmed, provided that (1) the 2026 Bonds are in an aggregate principal amount (not including any sale premium) not exceeding \$125,000,000, with such principal amount allocated among the Series as the Corporation may determine, (2) each Series of 2026 Bonds shall bear interest (a) at variable rates in accordance with such interest rate methodology or methodologies as an Authorized Officer may determine; provided that no such variable rate shall initially exceed 7.5% per annum, or (b) at fixed rates; provided that no such fixed rate shall exceed 7.5% per annum, or (c) both, and (3) each Series of the 2026 Bonds is in substantially the form and content set forth in the applicable Series Supplemental Indenture, subject to appropriate insertions and revisions as permitted by Section 2 hereof.

Section 2. The form and content of, and the performance by the Corporation of the obligations contained in, the Bond Documents presented at this meeting are in all respects authorized, approved, and confirmed. The Chief Executive Officer/Executive Director, the Deputy Executive Director, the Chief Financial Officer/Finance Director, the Budget Director and the Controller (each, an “Authorized Officer” and, collectively, the “Authorized Officers”) are severally authorized to approve, execute, and deliver the final forms of the Bond Documents for and on behalf of the Corporation substantially in the form and content presented at this meeting for the initial Series and for each additional Series but, with respect to each additional Series, with such modifications as are necessary to reflect the terms and conditions of such additional Series. The Authorized Officers may each make or cause to be made any changes, modifications, additions, and deletions in the form or content of the Bond Documents as presented at this meeting as any Authorized Officer may consider necessary, desirable, or appropriate, and each such change, modification, addition, and deletion is hereby authorized, approved, and confirmed. The execution of any Bond Document by an Authorized Officer shall be conclusive evidence of approval of any and all changes, modifications, additions, or deletions to that Bond Document from the form or content that was presented at this meeting. After the execution and delivery of the Bond Documents, the Authorized Officers are each authorized, empowered, and directed to do all such acts and things and to execute all such documents, as may be necessary to carry out and comply with the provisions of the Bond Documents as executed.

Section 3. The Authorized Officers are severally authorized, empowered, and directed to approve the final forms of the Preliminary Official Statement and Official Statement for each Series, which shall be in substantially the same form as the draft Preliminary Official Statement which has been presented at and is a part of the records of this meeting but, with respect to each additional Series, with such modifications as may

be necessary to reflect the terms and conditions of such additional Series; provided, however, that the final forms of the Preliminary Official Statement and Official Statement for each Series may each contain such changes as the Authorized Officers consider necessary or appropriate to fully disclose to purchasers of such Series of 2026 Bonds all pertinent information relating to such 2026 Bonds and such modifications as necessary to reflect then-current information with respect to the Corporation. The distribution of the Preliminary Official Statement and the Official Statement, as completed by the Authorized Officers, to prospective purchasers and the use of the Preliminary Official Statement and the Official Statement, in each case modified as described herein, by the Underwriters in connection with the offering of a Series of the 2026 Bonds are hereby ratified, confirmed, and approved.

Section 4. The Authorized Officers of the Corporation are each authorized to have the 2026 Bonds prepared and to execute and authorize the delivery of the applicable Series of 2026 Bonds to the Underwriters in accordance with the terms of the respective Bond Purchase Agreement and upon receipt of the purchase price for such 2026 Bonds plus accrued interest, if any. The Authorized Officers are each authorized to do and perform all acts and things and execute any and all documents, including Additional Documents, in the name of the Corporation necessary, useful, or convenient to the issuance and sale of the applicable Series of 2026 Bonds.

Section 5. The Authorized Officers are severally authorized, after execution of the 2026 Bonds of a Series, to deliver such 2026 Bonds to the Trustee for authentication under the Master Indenture and the applicable Supplemental Indenture and, upon authentication and upon receipt of the balance of the purchase price of such 2026 Bonds, to deliver to the Trustee a written order in the name of the Corporation directing the Trustee to deliver such 2026 Bonds to the purchasers and to receive the proceeds of sale of such 2026 Bonds and related amounts and give a written receipt therefor on behalf of the Corporation, to apply said proceeds and related amounts in accordance with the terms of the Master Indenture and the applicable Supplemental Indenture, and to do and perform or cause to be done and performed, for and on behalf of the Corporation, all acts and things (including, but not limited to, the transfer of money of the Corporation to the Trustee for deposit in, and application to the purposes of, such funds or accounts as may be required by the Master Indenture or the applicable Supplemental Indenture) that constitute conditions precedent to the authentication and delivery of such 2026 Bonds or that are otherwise required or convenient to be done and performed by or on behalf of the Corporation prior to or simultaneously with the delivery of such 2026 Bonds.

Section 6. The Authorized Officers are severally authorized for and on behalf of the Corporation to do or cause to be done all acts and things and execute any and all documents and agreements as they deem appropriate and necessary including, without limitation, any Additional Documents and any investment agreements or escrow agreements for the proceeds of each Series of 2026 Bonds, all in the name of the

Corporation, as may be required or desirable to be done by the Corporation (or any Authorized Officer of the Corporation) under and pursuant to the terms of the Master Indenture and the applicable Supplemental Indenture and all acts and things required or desirable to be done by the Corporation in accordance with the terms and conditions of the Bond Documents and to provide for the issuance and sale of such 2026 Bonds.

Section 7. All Authorized Officers and the Corporation's agents and counsel are severally authorized to take all such further actions, to execute and deliver such further instruments and documents in the name and on behalf of the Corporation, or to otherwise pay all such expenses as, in their judgment, shall be necessary or advisable in order to fully carry out the purposes of this resolution.

Section 8. All actions previously taken or that will be taken by any Authorized Officer in connection with or related to the matters set forth in or reasonably contemplated by this resolution are, and each of them hereby is, adopted, ratified, confirmed, and approved in all respects as the acts and deeds of the Corporation.

Section 9. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Alaska Housing Finance Corporation
this ____ day of _____, 2026.

Jess Hall-Board Chair

ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: 3/25/26

Staff: Jimmy Ord – Director, Research and Rural Development Department

Item: Authorization to hold public hearings regarding proposed amendments to:

15 AAC 154.010 to 15 AAC 154.090 – Article 1 – Provisions Applicable to All Grant Programs

15 AAC 154.700 to 15 AAC 154.835 – Article 7 – Grant Management

15 AAC 154.900 to 15 AAC 154.910 – Article 9 – Other Grant Programs

Background:

Alaska Housing Finance Corporation staff administer a variety of grant programs under 15 AAC 154, which provide the regulatory framework for public notice, application procedures, and the administrative management of grant funds. To ensure the effective stewardship of these programs, the regulations must undergo periodic updates to maintain alignment with federal standards, state law, and internal administrative policies.

A primary driver for the current updates is the need to align procurement and records management practices with the federal requirements. Historically, several sections of 15 AAC 154 utilized fixed dollar thresholds that have become outdated as federal standards have shifted toward dynamic thresholds, such as the micro-purchase threshold and the federal simplified acquisition threshold defined in 48 C.F.R. § 2.1.

Furthermore, many provisions within this chapter have not received substantial technical updates for more than fifteen years. The proposed amendments modernize these standards by removing obsolete technology references, aligning equal opportunity protections to match current federal and state laws, and refining debarment hearing procedures. The changes also loosen restrictive language around mandatory residential housing construction and energy efficiency requirements.

Issue:

The grant management regulations under 15 AAC 154 contain outdated fixed dollar thresholds and administrative procedures that are inconsistent with current federal grant standards and state law. Updates are required to modernize procurement, records management, and nondiscrimination standards to ensure the Corporation maintains effective and compliant oversight of grant-funded projects

Discussion:

The proposed amendments perform a technical cleanup of the chapter, including standardizing verb usage (shall/must) to clarify mandatory duties and changing generic timeframes to "calendar days" to ensure accurate tracking of administrative timelines.



The following is a brief summary of the proposed changes:

15 AAC 154.090 – modifies the language to allow the Corporation discretion in establishing building and energy code requirements

15 AAC 154.715 – modifies the language to update purchasing policies and align competitive procurement thresholds with applicable federal standards as defined in 48 C.F.R § 2.1

15 AAC 154.750 – modifies the language to align nondiscrimination protections with current laws and adopt federal cost standards for grants involving federal funds

15 AAC 154.775 – modifies the language to update allowable cost categories and restricts travel expense reimbursements to established Corporation travel policies

15 AAC 154.776 – modifies the language to provide flexibility by allowing a grant agreement to specify an alternative to the formal “Cost Allocation Plan”

15 AAC 154.835 – modifies the language to add formal definitions for “authorized representative of the Corporation” to clarify administrative authority and “Cost Allocation Plan” to standardize the methodology for identifying and allocating shared expenses

Board Action Request:

Staff requests authorization to schedule and hold a public hearing to obtain testimony regarding the proposed amendments to Article 1 Provisions Applicable to All Grant Programs 15 AAC 154.010 – 15 AAC 154.090, Article 7 Grant Management 15 AAC 154.700 – 15 AAC 154.835, Article 9 Other Grant Programs 15 AAC 154.900 – 15 AAC 154.910.

ALASKA HOUSING FINANCE CORPORATION

BOARD OF DIRECTORS' RESOLUTION 2026-04

RESOLUTION AUTHORIZING PUBLIC HEARINGS FOR AMENDMENTS TO: 15 AAC 154.010 TO 15 AAC 154.090 – ARTICLE 1 – PROVISIONS APPLICABLE TO ALL GRANT PROGRAMS – 15 AAC 154.700 TO 15 AAC 154.835 – ARTICLE 7 – GRANT MANAGEMENT – 15 AAC 154.900 TO 15 AAC 154.910 – ARTICLE 9 – OTHER GRANT PROGRAMS

WHEREAS, the Alaska Housing Finance Corporation (“the Corporation”) awards housing grants to ensure all Alaskans have access to safe, quality, and affordable housing. Grants are used to support families, seniors, and vulnerable populations by funding the construction, rehabilitation, and stabilization of housing;

WHEREAS, the Corporation establishes grant management regulations to ensure accountability, feasibility, and proper administration of state and federal funds;

WHEREAS, the Corporation from time to time will update grant management regulations to modernize policies and procedures, align with state and federal standards, and update technical and administrative requirements;

WHEREAS, Corporation staff have reviewed and proposed updates to the grant management regulations in 15 AAC 154;

WHEREAS, the provisions of AS 18.56.088 require the Corporation provide public notice of proposed actions and provide an opportunity for public comment prior to amendment of regulations;

WHEREAS, a copy of the proposed changes to the regulations has been presented to the Board of Directors at this meeting;

Now, therefore, let it be resolved that:

1. Staff is directed to hold a public hearing pursuant to the provisions of AS 18.56.088 for considerations of amendments to regulations as prepared and attached in support of this resolution.
2. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of Alaska Housing Finance Corporation this day, March 25, 2026.

Jess Hall – Board Chair



Article 1. Provisions Applicable to All Grant Programs (15 AAC 154.010 to 15 AAC 154.090)

15 AAC 154.010 is amended to read:

15 AAC 154.010. Public notice of availability of funds. The Corporation will publish notice of the availability of funds for a minimum of ten calendar days [AT LEAST SEVEN DAYS] before awarding a grant under this chapter or under an applicable program [A PROGRAM] described in 15 AAC 154.900 [THE CORPORATION WILL PUBLISH NOTICE OF THE AVAILABILITY OF MONEY FOR THE GRANT]. (Eff. 5/7/93, Register 130; am 5/14/97, Register 142; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.020 is amended to read:

15 AAC 154.020. Cessation of grants. The Corporation has the ability to temporarily or permanently, at its discretion [IN ITS DISCRETION], cease grants and funding [MAKING GRANTS AND GRANT PAYMENTS] under any of the programs established in this chapter or described in 15 AAC 154.900 and the ability to temporarily or permanently suspend grants to particular grant recipients under any of those programs. The Corporation will, at its discretion [IN ITS DISCRETION], include a provision to the effect stated in this section in the grant agreement or other document it enters into in connection with a grant program. (Eff. 5/7/93, Register 130; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.030 is amended to read:

15 AAC 154.030. Misstatements. If the Corporation determines that a grant recipient under any of the programs established in this chapter or described in 15 AAC 154.900 has made a material misstatement relating to that grant recipient's application for or administration of a grant, the Corporation will, **at its discretion** [IN ITS DISCRETION], require the grant recipient to repay the grant to the Corporation, together with accrued interest on the amount of the grant calculated at the highest permissible rate allowed by law from the date of issuance of the grant check by the Corporation, and determine that the grant recipient is ineligible for further grants from the Corporation. The Corporation will, **at its discretion** [IN ITS DISCRETION], include a provision to the effect stated in this section in the grant contract or other document it enters into in connection with a grant program. (Eff. 5/7/93, Register 130; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.040 is amended to read:

15 AAC 154.040. Grant agreements. Before awarding a grant under this chapter or under **an applicable program** [A PROGRAM] described in 15 AAC 154.900, the Corporation will enter into a grant agreement with the recipient of the grant. The grant agreement **must** [WILL] include, but is not limited to, the following:

- (1) a statement of the intended use of the grant funds, specifying how the funds will be used in connection with the purposes of the particular grant program;
- (2) a budget description in detail appropriate to the scope of the project;
- (3) a timetable listing the steps considered necessary for the timely completion of the project and listing the schedule for the payment of grant funding;

(4) a provision for the administration of the grant money according to generally accepted [FINANCIAL] accounting **principles** [PROCEDURES], for regular periodic reporting to the Corporation of grant-sponsored activities, and for the disposition of funds in accordance with intended use;

(5) a provision for the cessation of grant payments if the Corporation determines that the applicant is not using grant money for its intended purposes or is not proceeding satisfactorily with the development of the project;

(6) a provision acknowledging that all interest earned on grant funds remains the property of the Corporation and that all such interest will be remitted to the Corporation upon completion of the final project **closeout** [AUDIT];

(7) a statement acknowledging that the **grant recipient** [APPLICANT AND ITS ARCHITECT], and not the Corporation, **is responsible** [ARE RESPONSIBLE] for obtaining necessary licenses and permits, **if required** [IF ANY], for ensuring that all aspects of the project comply with all applicable laws, regulations, ordinances, and codes, and for all costs of the project in excess of the amount of approved grants; and

(8) a promise to defend and hold harmless, and to require all contractors and subcontractors to hold harmless, the Corporation from any action arising from its alleged failure to award a grant under the applicable program. (Eff. 5/7/93, Register 130; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.050 is amended to read:

15 AAC 154.050. Application. (a) The executive director or their designee will establish selection criteria and a selection procedure which will be detailed in the instructions to a grant application.

(b) A grant application shall be on forms prescribed by the Corporation and shall include:

(1) a resolution of the applicant's governing body authorizing the grant request, or if the applicant is a municipality, the signature of a municipal official with authority to apply for the grant;

(2) documentation of need for the grant project in the area being served;

[3] A STATEMENT IDENTIFYING ALL OTHER MONEY SOURCES, AMOUNTS, AND ANTICIPATED COMMITMENT DATES FOR EACH SOURCE;

(4) A MANAGEMENT AND OPERATION PLAN;]

3[5]) a budget and schedule to accomplish the purposes of the grant, including a Cost Allocation Plan for a grantee subject to 15 AAC 154.776; and

4[6]) other information required by the Corporation. (Eff. 5/7/93, Register 130; am 6/11/96, Register 139; am ___/___/___, Register___)

Authority: AS 18.56.088

15 AAC 154.060 is amended to read:

15 AAC 154.060. Appeals. The Corporation will send a notice of tentative award for all grants to all grant applicants. A grant applicant [AN APPLICANT] may protest the tentative award selections under 15 AAC 150.220 and may appeal the decision of the Corporation as provided in 15 AAC 150.220. (Eff. 5/7/93, Register 130)

Authority: AS 18.56.088

15 AAC 154.070 is amended to read:

15 AAC 154.070. Title to project. In connection with a grant under this chapter or under **an applicable program** [A PROGRAM] described in 15 AAC 154.900, the Corporation **may require** [WILL REQUIRE] that a deed restriction on the title to the land benefited by the grant be recorded requiring approval from the Corporation for sale or transfer of the title to the land and requiring that the property be used for the purposes of the grant. The Corporation may restrict sale or transfer of title to an entity eligible for the grant. **Any restrictions on sale or transfer of title must comply with applicable federal regulations regarding the use and disposition of real property acquired with federal funds.** (Eff. 5/7/93, Register 130; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.080 is amended to read:

15 AAC 154.080. Compliance with federal grant requirements. If the Corporation awards a grant under this chapter or under **an applicable program** [A PROGRAM] described in 15 AAC 154.900 and all or part of the funding for the grant is derived from the federal government, the Corporation will comply with applicable regulations, law, or other guidelines related to the federal grant program. To the extent that the applicable regulations, laws, or other guidelines related to the federal grant program **are more restrictive than the Corporation's regulations** [CONFLICT THE CORPORATION'S REGULATIONS] relating to the grant, the federal regulations, laws, or other guidelines shall control. (Eff. 5/7/93, Register 130; am ___/___/___, Register ___)

Authority: AS 18.56.088

15 AAC 154.090 is amended to read:

15 AAC 154.090. Applicability of Building Energy Efficiency Standard and Minimum Construction Standards to Grant Programs. Any grant award for new construction of residential housing, funded from programs administered under 15 AAC 154.010 - 15 AAC 154.910, shall comply with **the minimum construction standards established in 15 AAC 150.035 and building energy efficiency standard established in 15 AAC 155.010 unless the Corporation in its discretion provides the grantee written approval exempting compliance.** [15 AAC 150.040 AND 15 AAC 150.030, AS APPLICABLE] **Verification of compliance with those standards must be conducted by an individual authorized by the Corporation.** [FOR PROJECTS OF 5 UNITS OR MORE, AN INSPECTION IN ACCORDANCE WITH 15 AAC 150.030 SHALL BE PERFORMED BY AN INDIVIDUAL THAT IS CERTIFIED TO INSPECT A BUILDING OF 5 OR MORE UNITS BY THE INTERNATIONAL CODE COUNCIL OR IS AN ENGINEER OR ARCHITECT, LICENSED UNDER AS 08.48.] (Eff. 6/18/2008, Register 187; am ___/___/____, Register____)

Authority: AS 18.56.088

Article 7. Grant Management (15 AAC 154.700 to 15 AAC 154.835)

15 AAC 154.705. Limitation. (a) If a state or federal regulation or law addresses a particular grant program and is inconsistent with a provision of 15 AAC 154.700 - 15 AAC 154.835, the state or federal law applies to that grant program in place of the inconsistent provision.

(b) If the Corporation receives funding for a grant program from a **Foundation** [FOUNDATION] or other **entity** [PRIVATE ENTITY], the Corporation may agree to terms which require grantees receiving the funds from the **Foundation** [FOUNDATION] or other **entity** [PRIVATE ENTITY] to comply with requirements that are inconsistent with a provision of 15 AAC 154.700 - 15 AAC 154.835. (Eff. 6/11/96, Register 139)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.710 is amended to read:

15 AAC 154.710. Grantee administrative policies. (a) A grantee shall have written policies relating to employee salaries and overtime, employee leave, use of consultants and consultant fees, training, conflict of interest and [SUCH] other matters as the grantee determines or as the Corporation directs. The grantee shall apply these policies consistently in the administration of the grant project without regard to the source of the money used for the purposes to which the policies relate. The Corporation may review the policies to assure compliance with applicable program requirements.

(b) A grantee which is a nonprofit corporation must establish and adhere to a written policy stating that an employee of the grantee may not be a member of the grantee's governing board. (Eff. 6/11/96, Register 139; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.715 is amended to read:

15 AAC 154.715. Purchasing policies [PRACTICES]and procedures. A grantee shall establish written uniform purchasing **policies** [PRACTICES] and procedures for the procurement

of goods and services. The **policies** [PRACTICES] and procedures must be acceptable to the Corporation. Unless other purchasing requirements are made applicable by 15 AAC 154.705, the **policies** [PRACTICES] and procedures shall provide that:

[(1) FOR PURCHASES OF NON-EXPENDABLE PERSONAL PROPERTY WITH A VALUE OF \$5,000 OR MORE OR FOR THE AWARD OF A CONTRACT OF \$5,000 OR MORE, THE GRANTEE WILL REQUIRE THREE COMPETITIVE PRICE QUOTATIONS FROM POTENTIAL SUPPLIERS AND COMPLETE A COST PRICE ANALYSIS IF PRACTICABLE UNDER THE CIRCUMSTANCES;]

(1) **the grantee shall require three competitive price quotations from potential suppliers and complete a cost price analysis, if practicable under the circumstances, for**

(A) purchases of non-expendable personal property with an aggregate value greater than the federal micro-purchase threshold as defined in 48 CFR § 2.1; or

(B) the award of a contract with an aggregate value greater than the federal micro-purchase threshold but less than the federal simplified acquisition threshold as defined in 48 CFR § 2.1;

The Corporation retains authority to determine what is practicable under the circumstances. For the award of contracts in aggregate that exceed the federal simplified acquisition threshold amount, the grantee shall follow the requirements of 2 CFR § 200.320;

(2) awards shall be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the grantee, price, quality and other relevant factors considered;

(3) the grantee **must** [WILL] retain written records of price quotations and cost price analysis in accordance with 15 AAC 154.730 and **must** [WILL] include in the written records:

(A) specifications;

(B) suppliers' names and addresses and a statement of the reason for soliciting less than three quotations if applicable;

(C) the prices quoted; and

(D) the basis for the award if other than price; and

(4) the grantee **shall** [WILL] retain written justification **demonstrating compliance with the specific criteria for noncompetitive procurement in 2 C.F.R 200.320(c)** and executive management approval for sole source purchases from supplier or contractor with **an aggregate value of the federal micro-purchase threshold** [\$5,000] or more. (Eff. 6/11/96, Register 139; am 6/18/2008, Register 187; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.720 is amended to read:

15 AAC 154.720. Financial management and accounting. (a) The grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles and complies with any applicable federal requirements. The grantee shall establish written financial management and accounting policies and procedures.

The grantee shall maintain the financial records and accounts in a manner which permits them to be audited. The records **must** [SHALL] include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, income and expenses. The grantee shall keep such other financial and accounting records as the Corporation may direct. The grantee shall deposit grant funds in a bank account maintained for the grantee's business purposes. Grant funds may not be commingled with the personal funds of any officer, director or employee of the grantee.

(b) If the grantee has made a grant to a subgrantee, the grantee shall maintain and require the subgrantee to maintain appropriate systems, **policies and procedures** [PROCEDURES] and documentation to assure compliance with respect to subgrantee audits. The grantee **shall** [WILL] take appropriate action to **ensure** [ASSURE] that any required subgrantee audits are completed. (Eff. 6/11/96, Register 139; am 6/18/2008, Register 187; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.725 is amended to read:

15 AAC 154.725. Property management. (a) If the grantee acquires an interest in real property with money received from the grant, the grantee must negotiate terms with the Corporation regarding ownership interests, property maintenance and property disposition.

(b) Before the grantee may use money received from a grant to purchase non-expendable personal property, the acquisition cost of the property must be included in the budget, or in an amendment to the budget, of the grant project approved by the Corporation. In this subsection, “acquisition cost” means:

(1) the cost of the non-expendable personal property and the cost of necessary accessories; and

(2) ancillary charges, such as duty, taxes, transportation, protective in-transit insurance, and installation fees if the inclusion of those charges is in accordance with the grantee's regular accounting practices.

(c) Title to property purchased under (b) of this section vests in the grantee upon acquisition subject to the right of the Corporation to transfer title to the property to the Corporation or to another person or legal entity if:

(1) the Corporation **does** [DID] not waive its right to transfer title to property under this subsection under the terms of the grant;

(2) the grantee no longer has need for the property in the grant project for which it was acquired, or the grant project or that part of the grant project for which the property was acquired is being transferred to another grantee;

(3) no later than **120 calendar days** [120 DAYS] after the completion or termination of the grant or **120 calendar days** [120 DAYS] after the date of an appeal decision under 15 AAC 154.825, if applicable, whichever is later, the Corporation provides written notice to the grantee of its intent to transfer the property; and

(4) the Corporation reimburses the grantee for the property in accordance with (d) of this section.

(d) The Corporation will **calculate** [COMPUTE] the amount of reimbursement under (c)(4) of this section by applying the percentage of the total cost of the grant project contributed to the grant project by the grantee for the budget period in which the property was acquired to the

current fair market value of the property. The Corporation will also reimburse the grantee for reasonable shipping and storage costs incurred in connection with the transfer of the property.

(e) Except when the Corporation has exercised the right to transfer title under (c) of this section, a grantee shall retain property purchased under (b) of this section in the grant project as long as the property is needed for successful accomplishment of an objective of the grant project. During that time, the grantee shall make the property available for use in other activities conducted by the grantee with financial assistance from the state as long as this use does not interfere with the grant project. Among the other activities, the grantee **shall** [WILL] give priority to the use of the property in an activity receiving financial assistance from the Corporation.

(f) If the grantee no longer needs property purchased under (b) of this section in the grant project, the grantee may retain the property if the grantee compensates the Corporation. The Corporation will **calculate** [COMPUTE] the amount of compensation by applying the percentage of the total cost of the grant project contributed to the grant project by the Corporation for the budget period in which the property was acquired to the current fair market value of the property. If the grantee does not wish to retain the property, the grantee shall request disposition instructions from the Corporation. The Corporation may instruct the grantee to:

- (1) ship the property elsewhere; or
- (2) sell the property in accordance with procedures specified by the Corporation.

(g) The Corporation will reimburse the grantee for a disposition of property under (f)(1) of this section in an amount determined in accordance with (d) of this section.

(h) The grantee shall reimburse the Corporation for a disposition of property under (f)(2) of this section in an amount determined in accordance with the procedure described in (f) of this

section for the retention of property by a grantee. However, the grantee may deduct from the amount of compensation \$100 or 10 percent of the proceeds of the sale, whichever is greater.

(i) A grantee shall maintain written, accurate property records as well as effective inventory, control, and maintenance procedures for non-expendable personal property. These records shall include the following information:

(1) a description of the property and the manufacturer's serial number or other identification number;

(2) the grant program under which the property was acquired;

(3) the acquisition date and cost of the property;

(4) the percentage of the total cost of the grant project contributed to the grant project by the Corporation for the budget period in which the property was acquired;

(5) the location, use and condition of the property, and the date on which the property was recorded; and

(6) the disposition of the property, including the date of its disposal and its sales price or the method used to determine its current fair market value.

(j) A grantee shall take an inventory of non-expendable personal property of the grant project and must reconcile the results of the inventory with the property records maintained under (i) of this section at the end of the grant period to verify the existence, current use, and continued need for the property.

(k) A grantee shall maintain a control system to **ensure** [INSURE] adequate safeguards to prevent loss, damage or theft of non-expendable personal property of the grant project. A grantee shall provide for the investigation and full documentation of a loss, damage or theft of non-expendable personal property of the grant project.

(l) Property acquired with federal funds must be managed in accordance with 2

CFR §§ 200.310 through 200.316. (Eff. 6/11/96, Register 139; am 6/18/2008, Register 187; am

___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.730 is amended to read:

15 AAC 154.730. Records management. (a) All program records relating to the grant project are the sole property of the Corporation. A grantee shall permit **authorized representatives** [ANY REPRESENTATIVE] of the Corporation to examine and make copies of all program records related to the grant at any time during regular business hours upon **24 hour** [24 HOURS] notice. Upon the Corporation's written request, a grantee shall immediately deliver the original version of all program records to the Corporation. The delivery of program records to the Corporation shall be at the grantee's expense and the grantee may not condition in any manner whatsoever the delivery of program records. [ANY RECORDS THAT GRANTEE HAS RETAINED ON MICROFILM OR OTHERWISE CONDENSED MUST BE REPRODUCED PROMPTLY, AT NO COST, UPON THE CORPORATION'S WRITTEN REQUEST.]

(b) The grantee shall permit **authorized representatives** [ANY REPRESENTATIVE] of the Corporation to examine and make copies of all administrative records related to the grant at any time during regular business hours upon **24 hour** [24 HOURS] notice. A grantee's financial, accounting and banking records are related to the grant if they document in any way the receipt, deposit, expenditure or accounting of any grant funds. A grantee's employee personnel records are related to the grant if the employee at issue was paid in whole or in part with grant funds

during the term of the grant agreement. A grantee may not condition in any manner whatsoever the Corporation's right to examine and copy administrative records related to the grant.

(c) The grantee and a subcontractor of a grantee under 15 AAC 154.745 shall retain grant and subcontract records, including records of the receipt and disposition of grant income, for a period of three years, subject to the following:

(1) the grantee or the subcontractor shall retain the records as long as an audit is in progress or as long as audit findings, litigation, or claims involving the records are pending;

(2) the grantee or the subcontractor shall retain the records for non-expendable personal property of the grant project for three years after the final disposition of or appropriate reimbursement for that property to the Corporation; and

(3) the retention period for each year's records begins at the date of submission to the Corporation of the grantee's or subcontractor's annual or final financial status report or its equivalent;

(d) The provisions of (c) of this section do not apply to records transferred to or maintained by the Corporation. The Corporation may request a transfer of the records described in (a) of this section to the custody of the Corporation at any time during the retention period established in (c) of this section if the Corporation determines that it is in the best interests of the Corporation. The Corporation may make arrangements with the grantee to retain records that are continually needed for joint access.

(e) The grantee must follow records management requirements as specified in 2 CFR § 200.334 when awarded a grant with federal funds. (Eff. 6/11/96, Register 139; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.735 is amended to read:

15 AAC 154.735. Report requirements. A grantee shall submit to the Corporation, on forms specified by the Corporation, grant project performance reports and financial reports. The grantee shall submit the reports in accordance with the grant agreement or in accordance with written instructions **and data security protocols that are delivered** [DELIVERED] to the grantee by the Corporation. If the grantee fails to submit complete, **secure, and** [AND] timely reports, the Corporation may withhold payment under 15 AAC 154.780. (Eff. 6/11/96, Register 139; am ___ / ___ / ___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.740 is amended to read:

15 AAC 154.740. Audit requirements. (a) The grantee shall comply with the audit requirements established by 2 AAC 45.010, and by any applicable federal requirements. The grantee shall provide the Corporation with a copy of any audit report conducted of the grantee's expenditure of grant funds within **30 calendar days** [30 DAYS] of its receipt by the grantee. The Corporation may establish additional audit requirements.

(b) A subcontractor under 15 AAC 154.745 must provide the grantee or its representative with reasonable access to **financial records, documents, and any other information requested by the Corporation** [THE BOOKS, DOCUMENTS, PAPERS, AND RECORDS] of the subcontractor if the grantee determines that access to this information is necessary for the purposes of an audit.

(c) A grantee subject to a **Cost Allocation Plan** [COST ALLOCATION PLAN] under 15 AAC 154.776 shall also provide the Corporation with a copy of any audit report conducted of the grantee's expenditure of grant funds from other sources. (Eff. 6/11/96, Register 139; am 9/23/97, Register 145; am ___ / ___ / ___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.745 is amended to read:

15 AAC 154.745. Assignability and subcontracting. (a) The grantee may not assign or delegate the grant agreement or any part of it, or any right to monies paid under the grant agreement, without the written approval of the Corporation. Grant monies may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor federally debarred, suspended or placed on ineligibility status.

(b) The grantee may enter into a subcontract for the performance of an activity required by the grant only if:

(1) the grantee remains administratively and financially responsible for the activity and is responsible for the performance of the subcontractor;

(2) the subcontractor agrees that the Corporation's approval of the subcontract shall not create any contractual relationship between the subcontractor and the Corporation;

(3) the subcontractor is authorized to do business in the state and has obtained any necessary bonding required by the Corporation or applicable federal regulations;

(4) the subcontractor agrees to perform in accordance with all applicable grant provisions and agrees to permit the grantee reasonable access to its records for the purposes of 15 AAC 154.740;

(5) the subcontract includes a provision under which the subcontractor indemnifies the Corporation against all damages or claims for damages arising out of the subcontractor's activities under its contract with the grantee; [AND]

(6) the grantee obtains Corporation approval before entering into the subcontract;

and

(7) the subcontractor agrees to the Corporation's information security and storage policies applicable to the funded activities. (Eff. 6/11/96, Register 139; am 6/18/2008, Register 187; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.750 is amended to read:

15 AAC 154.750. Compliance with applicable laws. (a) The grantee shall perform the grant project in accordance with all applicable laws and regulations. The grantee must obtain any federal, state or municipal permit required for the performance of the grant project. The grantee must have a current Alaska business license if it is required by AS 43.70.020.

(b) The grantee shall comply with all federal, state or municipal laws providing for public notice of grant project activities and shall maintain a record of such compliance.

(c) The grantee shall comply fully with 42 U.S.C. 2000d and 29 U.S.C. 794, and any Corporation policy or procedure for the implementation of those laws.

(d) The grantee shall comply with any procedures required by the Corporation for processing complaints alleging discrimination **prohibited by applicable federal, state, or local anti-discrimination laws regarding protected classes** [ON THE BASIS OF SEX, RACE, COLOR, NATIONAL ORIGIN, OR PHYSICAL DISABILITY].

(e) The grantee must comply with all applicable provisions of 2 CFR § 200 regarding cost principles and allowability of costs when awarded a grant funded in whole or in part with federal funds. (Eff. 6/11/96, Register 139; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.755 is amended to read:

15 AAC 154.755. Equal opportunity. (a) The benefits of the grant project shall be made available to all qualified persons without regard to **any status protected by applicable federal, state, or local anti-discrimination laws regarding protected classes** [RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE, PHYSICAL DISABILITY, SEX, MARITAL STATUS, CHANGES IN MARITAL STATUS, PREGNANCY, OR PARENTHOOD].

(b) The grantee may not discriminate against any employee or applicant for employment because **of any status protected by applicable federal, state, or local anti-discrimination laws regarding protected classes** [RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE, PHYSICAL DISABILITY, SEX, MARITAL STATUS, CHANGES IN MARITAL STATUS, PREGNANCY, OR PARENTHOOD]. The grantee shall post in conspicuous places, accessible to employees and applicants for employment, at the location of the grantee's grant project, notices setting out the provisions of AS 18.80.220.

(c) The grantee shall state, in solicitations or advertisements for employees to work on a grant project, that the grantee is an equal opportunity employer and that all qualified applicants **shall** [WILL] be considered for employment without regard to **any status protected by applicable federal, state, or local anti-discrimination laws regarding protected classes**

[RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE, PHYSICAL DISABILITY, SEX, OR MARITAL STATUS].

(d) The grantee shall send to each labor union or representative of workers with which the grantee has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the grantee's commitments to equal employment opportunity and shall post copies of the notice in conspicuous places accessible to employees and applicants for employment, at the location of the grantee's grant project.

(e) The grantee shall include the requirements of this section in the grantee's contracts and shall require compliance with these provisions in contracts entered into by its subcontractors.

(f) The grantee shall promptly comply with the directives of any state agency having jurisdiction over compliance with federal or state laws and regulations relating to the prevention of discriminatory employment practices. (Eff. 6/11/96, Register 139; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.760. Confidentiality. In a grant program for which a federal or state law or regulation requires confidentiality, the grantee **shall** [WILL] establish procedures for preserving that confidentiality before the Corporation awards the grant. The Corporation will include the procedures as part of the terms of the grant. (Eff. 6/11/96, Register 139)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.765 is amended to read:

15 AAC 154.765. Program revisions. (a) Before changing the scope of work of a grant project from the terms of the grant award, a grantee must submit the proposed changes in writing to the Corporation for approval. The Corporation will notify the grantee of its decisions within 30 **calendar** days after receipt of the proposed changes.

(b) To change the beginning or ending date of a grant period, a grantee must submit to the Corporation for approval a written request for the change. A request to change the ending date of a grant must be submitted at least **30 calendar days** [30 DAYS] before the ending date of the grant. A request to change the ending date of a grant submitted within **30 calendar days** [30 DAYS] before the ending date of the grant will be considered only upon a showing by the grantee of **good cause, as determined by the Corporation, for** [GOOD CAUSE FOR] the delay in submitting the request. [WITHIN 10 WORKING DAYS AFTER RECEIPT OF THE REQUEST, THE CORPORATION WILL REVIEW THE REQUEST AND NOTIFY THE GRANTEE OF ITS DECISION.] The grantee may not use grant money to pay an expense incurred before the beginning date or after the ending date of the grant period unless payment of the expense is authorized under the terms of the grant and is authorized in writing by the Corporation.

(c) If the project director of a grant project relinquishes or expects to relinquish active direction of the grant project, the grantee shall immediately notify the Corporation in writing. The Corporation may require the grantee to obtain the Corporation's approval of the project director's replacement. If the project director anticipates a temporary absence exceeding three months, the grantee shall notify the Corporation of the anticipated absence at least **30 calendar days** [30 DAYS] before the director's departure. The Corporation may require the grantee to obtain the Corporation's approval of the absence. If the approval of the grant was based, in whole

or in part, on the qualifications of the individual program director, the Corporation may terminate the grant if the Corporation disapproves a replacement or an absence under this subsection. (Eff.

6/11/96, Register 139; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.770 is amended to read:

15 AAC 154.770. Budget revisions. (a) Subject to (b) of this section, a grantee may reallocate money between budget categories within the total budget of the grant project to meet unanticipated expenditures necessary to the successful continuation or completion of the grant project, if the expenditures are authorized under the terms of the grant. Budget revisions may not be used to increase any budget category for project administrative expenses without the approval of the Corporation.

(b) The grantee must:

(1) receive approval from the Corporation before reallocating an amount under (a) of this section if the reallocation will result the total amount under (a) of this section exceeding 10 percent of the amount of the grant or **\$50,000** [\$10,000], whichever is less, or such other amount as may be set out in the grant agreement, during the term of the grant agreement; and

(2) notify the Corporation within **30 calendar days** [30 DAYS] after reallocating an amount not subject to (1) of this subsection. (Eff. 6/11/96, Register 139; am ___/___/___,

Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.775 is amended to read:

15 AAC 154.775. Costs. (a) A grantee shall not earn a profit on **the Corporation** [A CORPORATION] grant. A grantee may use money received from a grant only to pay a cost described in this section. A grantee may make a payment under this section only:

- (1) in accordance with the limitations established in this section;
- (2) if the Corporation determines that payment of the cost is necessary for the accomplishment of the objectives of the grant project; and
- (3) if the cost is reflected in the budget of the grant project.

(b) A grantee may pay the following costs under (a) of this section:

- (1) telephone, postage, [TELEGRAM] and other communication costs;
- (2) the cost of insurance premiums, including but not limited to insurance premiums for employee health, hazard, malpractice, and other liability insurance coverage for personnel, vehicles, and activities of the grant project;
- (3) registration fees for symposiums and seminars;
- (4) membership dues in professional organizations;
- (5) tuition and related costs for training an employee if the grantee obtains approval from the Corporation for the grantee's written training plan;
- (6) the cost of providing training services for persons other than employees;
- (7) bonding costs;
- (8) equipment purchase costs subject to 15 AAC 154.715 and 15 AAC 154.725;
- (9) equipment maintenance and repair costs;
- (10) the cost of transporting equipment from one grantee to another;
- (11) **the cost of supplies and materials**; [THE COST OF SUPPLIES] and

(12) the cost of an audit if the scope of the audit is defined in accordance with appropriate federal or state law or regulations.

(c) A grantee may pay for fees, transportation expenses, **lodging, and other travel related expenses** [AND LODGING OR SUBSISTENCE EXPENSES] of consultants under (a) of this section. However, a grantee may not pay these costs under (a) of this section to any employee of the grantee if it **results** [WILL RESULT] in double compensation to the employee or to the grantee for services or hours provided by the employee. Before paying a cost under this subsection, the grantee must establish written policies which provide, at a minimum, that:

(1) the consultant's services must be essential to the grant project and cannot be provided by a person whose salary is paid, in whole or in part, with money from the grantee's grant;

(2) the grantee **shall** [WILL] establish and use a selection process to secure the most qualified consultant available;

(3) the selection of the consultant **must** [WILL] be approved by a senior officer employed by the grantee; and

(4) the consultant's fee must be appropriate considering the qualifications of the consultant, the consultant's normal fees, and the nature of the services rendered by the consultant.

(d) A grantee may pay for travel expenses under (a) of this section. If the grantee has a written travel policy that is more restrictive than this subsection, the grantee may pay no more for the travel expenses under (a) of this section than the amount that is allowed under that policy. For air travel, the expenses paid under (a) of this section may not include first-class seating or travel on a carrier other than a United States carrier unless no other form of air travel is available. For travel outside of the state of Alaska, the grantee must obtain the prior approval of the

Corporation. A grantee may pay for travel expenses under (a) of this section only to the extent that the travel expenses do not **exceed the basic reimbursement for travel expenses, the basic lodging, and meal allowances allowed under the Corporation travel policies that are in effect at the time that the Corporation awards the grant.** [THE GREATER OF:

(1) THE BASIC REIMBURSEMENT FOR TRAVEL EXPENSES AND THE BASIC LODGING AND MEAL ALLOWANCES ALLOWED UNDER THE CORPORATION TRAVEL POLICIES THAT ARE IN EFFECT AT THE TIME THAT THE CORPORATION AWARDS THE GRANT.

(2) THE ACTUAL COSTS, NOT INCLUDING GRATUITIES, OF MODERATELY-PRICED ACCOMMODATIONS AND MEALS; OR

(3) FOR A PROJECT THAT INCLUDES FUNDING UNDER A FEDERAL GRANT TO THE GRANTEE OR FEDERAL CONTRACT WITH THE GRANTEE, THE COSTS ALLOWABLE UNDER THE FEDERAL GRANT.]

(e) A grantee may pay tax expenses under (a) of this section. However, these expenses may not include taxes from which the grantee is exempt.

(f) A grantee may pay the following costs under (a) of this section only after receiving approval from the Corporation for the cost:

(1) the cost of advertising and public-awareness activities **in accordance with the grant agreement;** [IF THE GRANTEE ASSUMES SOLE RESPONSIBILITY FOR THEIR CONTENT;]

(2) the cost of legal services;

(3) salaries, wages, overtime, and fringe benefits paid to employees of the grant project, subject to (g) - (h) of this section;

(4) the cost of rental or lease of facilities and equipment;

(5) the cost of altering or renovating a building for the grantee's use if:

(A) the building has a usable life consistent with the objectives of the grant project, is architecturally suitable for conversation, and conforms with federal law and regulations governing access by the persons with physical disabilities;

(B) the space involved will actually be occupied by the grant project or part of the grant project; and

(C) the grantee secures a lease for the grant period if the grantee does not own the building;

(6) the cost of acquiring or constructing a building.

(g) A payment under (f)(3) of this section may include payment for leave accumulated by an employee during the period of the grant in accordance with the written employee-leave policy established by the grantee under 15 AAC 154.710.

(h) A grantee may, under (a) of this section, pay for costs other than those described in (a) - (h) of this section only after receiving approval in writing from the Corporation prior to incurring the cost. (Eff. 6/11/96, Register 139; am 9/23/97, Register 145; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.776 is amended to read:

15 AAC 154.776. Cost allocation plan. (a) A grantee that is the recipient of other grants or has income from other sources must submit to the Corporation a cost allocation plan which

fairly allocates shared costs between the grant project and non-grant activities, **unless an alternative to the Cost Allocation Plan is specified in the grant agreement.**

(b) The **Cost Allocation Plan** [COST ALLOCATION PLAN] shall provide for the allocation of all general administrative and overhead expenses between the grant project and non-grant activities. However, the allocation may not result in payments to the grantee from all funding sources which exceed the amount owed for such expenses. Costs which can be directly attributed to non-grant activities **may not be charged** [SHALL NOT BE CHARGES] against the grant.

(c) If an employee of a grantee performs duties under the grant project and duties which are not under the grant project, the grantee shall determine the amount of a payment under 15 AAC 154.775(f)(3) on the basis of the amount of time spent by the employee in performing the duties under the grant project. If the employee concurrently performs the same duty for the grant project and for activities which are not part of the grant project or for a grant project funded by two or more funding sources, the grantee must allocate payments to the employee under 15 AAC 154.775(f)(3) according to a cost allocation plan approved by the Corporation. However, the allocation may not result in payments to the grantee from all funding sources which exceed the amount owed to the employee. A grantee not allocating an employee's time under a cost allocation plan, must keep accurate records reflecting the actual amount of time the employee spends on the grant project and non-grant activities.

(d) The Corporation will, **at its discretion** [IN ITS DISCRETION], monitor the non-grant activities of a grantee under 15 AAC 154.805 for purposes of determining whether a proposed cost allocation plan or costs submitted to the Corporation fairly allocate shared

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expenses or employee costs between the grant project and non-grant activities. (Eff. 9/23/97, Register 145; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.780 is amended to read:

15 AAC 154.780. Payment. (a) Subject to 15 AAC 154.735, the Corporation will, **at its discretion** [IN ITS DISCRETION] make payments to a grantee under a grant by **weekly, monthly, or quarterly** [WEEKLY OR MONTHLY] advances or reimbursements. To receive a payment under this section, the grantee must submit to the Corporation a payment request made on a form provided by the Corporation.

(b) A grantee shall reimburse the Corporation for a payment made to the grantee to the extent that the grantee does not expend or encumber the payment before the end of the grant period. A grantee shall notify the Corporation in writing no later than **30 calendar days** [30 DAYS] after the end of the grant period of an outstanding encumbrance of a payment made under (a) of this section. (Eff. 6/11/96, Register 139; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.785 is amended to read:

15 AAC 154.785. Recovery of funds by the Corporation [AHFC]. The grantee shall repay to the Corporation any costs determined not to be allowable as a result of any findings or questioned costs identified in the audits required by 15 AAC 154.740 or as a result of any grant monitoring activities of the Corporation under 15 AAC 154.805 **unless an alternative repayment plan has been approved by the Corporation**. Repayment by the grantee of grant

funds under this recovery provision shall occur within **30 calendar days** [30 DAYS] of demand.

(Eff. 6/11/96, Register 139; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.790. Reductions in funding. If funding from any state, federal, or other source which funds the grant is withdrawn, reduced, or limited in any way during the term of the grant agreement, the Corporation may immediately terminate the grant agreement or reduce the funding level of the grant to a level consistent with any new funding limitations. (Eff. 6/11/96, Register 139)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.795 is amended to read:

15 AAC 154.795. Grant income. (a) A grantee shall report grant income to the Corporation on a form **specified** [DESIGNATED] by the Corporation.

(b) Subject to (c) - (f) of this section, a grantee shall use grant income, including the grantee's share of proceeds from the sale of assets of the grant project, to further the objectives of the grant project, including, but not limited to, uses which will:

- (1) increase the number of persons served by the grant project;
- (2) increase the services provided by the grant project;
- (3) improve the quality of the services provided by the grant project;
- (4) establish a reserve fund for use in off-setting underestimates of financing

needs for the grant project;

(5) improve the capabilities of the grant project to generate reimbursement for services from a source other than the Corporation or the clients of the grant project;

(6) satisfy requirements under the grant program for matching contributions from the grantee.

(c) The grantee must expend grant income in the grant period in which it is earned. A grantee may use grant income only:

- (1) as specified in the terms of the grant; or
- (2) with approval from the Corporation.

(d) The provisions of (b) and (c) of this section do not apply to a grantee if, in the grantee's application for the grant, the grantee reduced the total anticipated cost of the grant project by the anticipated grant income to be received during the grant period and used the remaining net anticipated cost of the grant project to determine the amount of the grant required to operate the grant project. However, to the extent that actual grant income during the grant period exceeds the anticipated grant income, the provisions of (b) and (c) of this section apply to the grantee.

(e) All grant income shall be paid over to the Corporation unless otherwise provided for in the grant agreement.

(f) The grantee may not use grant income for purposes prohibited by 15 AAC 154.800. (Eff. 6/11/96, Register 139; am 9/23/97, Register 145; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.800. Prohibited activities. (a) No board member, officer, or employee of the grantee shall have any personal or financial interest in any contract or subcontract for work to be performed in connection with the activities assisted under the grant agreement.

(b) No member of the grantee shall have any personal or financial interest in any contract or subcontract for work to be performed in connection with the activities assisted under the grant agreement which provides such person with an excess benefit. For purposes of this section, “excess benefit” means any economic benefit provided to the named persons in consideration of work performed or to be performed by such person under any grant, contract or subcontract funded in whole or in part by the grant which exceeds the reasonable fair market value of work performed, as determined by a competitive process or by a qualified independent third party.

(c) No member of the governing body of the jurisdiction in which the project is undertaken or located and no other official of such locality or localities who exercises any functions or responsibilities with respect to the project during his or her tenure shall have any personal or financial interest in any contract or subcontract for work to be performed in connection with the activities assisted under the grant agreement.

(d) No grant funds shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or to influence the approval or defeat of any ballot issue, or to lobby any state agency or member or employee of the legislature.

(e) No grant funds may be used by or on behalf of the grantee to influence or attempt to influence an officer or employee of any federal agency, a member of Congress, or an employee of a member of Congress or in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative

agreement, and the extension, continuation, renewal amendment or modification of any federal contract, grant, loan or cooperative agreement.

(f) No grant funds may be used for payment of any bonus or commission for the purpose of obtaining approval or concurrence under the grant agreement provided, however, that reasonable fees of a bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as grant project costs.

(g) The grantee shall include in all subcontracts a provision prohibiting the expenditure of grant funds for purposes prohibited by (a) - (f) of this section and shall require certification by such subcontractors of compliance with those provisions. (Eff. 6/11/96, Register 139; am 8/13/2004, Register 178)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.805 is amended to read:

15 AAC 154.805. Monitoring and evaluation. (a) The Corporation may monitor and evaluate the programmatic, administrative, or financial performance [AND PROGRESS] of the grant project whenever it is determined to be in the best interest of the Corporation.

(b) The Corporation may enter into a contract to provide for monitoring and evaluation of grantees under (a) of this section. (Eff. 6/11/96, Register 139; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.810 is amended to read:

15 AAC 154.810. Grant close out. Within 90 calendar days after the completion of grant [DEVELOPMENT] activities, all financial, performance, and other reports as required by

the terms and conditions of the grant agreement shall be submitted by the grantee. The Corporation may approve extensions, for good cause, when requested by the recipient. The Corporation will close out a grant if it determines that the following conditions have been met:

(1) the grantee has submitted all required performance reports, however, a grantee's failure to submit a report will not preclude the Corporation from closing out a grant if it is determined to be in the Corporation's best interest;

(2) the grantee has submitted a final expenditure report and certified that all outstanding grant costs have been paid;

(3) the grantee has certified that all subcontracts have been completed;

(4) excess grant funds or grant income has been returned to the Corporation; and

(5) the Corporation has determined that it has no further interest in keeping the grant open. (Eff. 6/11/96, Register 139; am 5/29/2002, Register 164; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.815. Suspension. If a grantee fails to comply with the terms of a grant or of 15 AAC 154.700 - 15 AAC 154.835, the Corporation may, after providing the grantee with written notice of the failure to comply, suspend the grant. A grantee may not use grant money to pay an obligation incurred during the period of the suspension; however, the grantee may pay an obligation incurred before the period of suspension, if the grantee obtains the approval of the Corporation and if payment of the obligation would otherwise be allowed under this chapter or under the terms of the grant. A suspension under this subsection remains in effect until the grantee takes corrective action and provides proof of the corrective action satisfactory to the

Corporation, until the grantee successfully appeals the suspension, or until the Corporation or grantee terminates the grant. (Eff. 6/11/96, Register 139)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.820 is amended to read:

15 AAC 154.820. Termination. (a) The Corporation may terminate a grant, in whole or in part, at any time before the end of the grant period with the consent of the grantee.

(b) The Corporation may terminate a grant, in whole or in part, at any time before the end of the grant period upon **30 calendar days** [30 DAYS] written notice to the grantee.

(c) The Corporation may terminate a grant, in whole or in part, before the end of the grant period if the grantee fails to comply with a term of the grant or of 15 AAC 154.700 - 15 AAC 154.835. The Corporation shall promptly notify the grantee in writing of the termination, the reasons for the termination, the effective date and the portion of the grant to be terminated if the termination is partial.

(d) A grantee may terminate a grant at any time before the end of the grant period upon **30 calendar days** [30 DAYS] written notice to the Corporation.

(e) If a grant is terminated, payments to the grantee or recovery of money by the Corporation will be made in accordance with the rights and liabilities of the grantee and the Corporation. Upon receipt of a notice of termination under (a) - (c) of this section, the grantee may not incur new obligations to be paid with money from a terminated grant or the terminated portion of a grant. After receiving notice of the termination, the grantee shall make a reasonable effort to cancel as many of the grantee's outstanding obligations which, but for the termination, would be payable, in whole or in part, with money from the grant as possible. (Eff. 6/11/96, Register 139; am 9/23/97, Register 145)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.822 is amended to read:

15 AAC 154.822. Debarment. (a) The Corporation will, **at its discretion** [IN ITS DISCRETION], initiate a proposed debarment of a grantee, prospective grantee or other person associated with a grant by providing written notice sent by certified mail **or electronic communication**, return receipt requested, to the last known address of the grantee, prospective grantee or other person. The notice must inform the respondent of the reasons for the proposed debarment.

(b) Debarment may be imposed for:

(1) Conviction of or a civil judgment for:

(A) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction;

(B) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice;

(C) Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a person.

(2) Violation of the terms of a public agreement or transaction so serious as to affect the integrity of an agency such as:

(A) A willful failure to perform in accordance with the terms of one or more public agreements or transactions;

(B) A history of failure to perform or of unsatisfactory performance of one or more public agreements or transactions; or

(C) A willful violation of a statutory or regulatory provision or requirement applicable to a public agreement or transaction.

(3) Any one of the following:

(A) Debarment by a federal agency or another state agency;

(B) Knowingly doing business with a debarred person in connection with the performance of **the Corporation** [A CORPORATION] grant or contract;

(C) Failure to pay a single substantial debt, or a number of outstanding debts (including disallowed grant costs and overpayments) owed to any state agency, provided that the debt is uncontested by the debtor or, if contested, provided that the debtor's legal and administrative remedies have been exhausted; or

(D) Any other cause so serious or compelling in nature that it affects the present responsibility of the respondent.

(4) For the purposes of determining grounds for debarment, the conduct of any officer, director, shareholder, partner, employee or other individual associated with a respondent may be imputed to the respondent when the conduct occurred in connection with the individual's performance of duties for or on behalf of the respondent or with the respondent's knowledge, approval or acquiescence. The respondent's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence. The conduct of a respondent may be imputed to any officer, director, shareholder, partner, employee or other individual

associated with the respondent who participated in, knew of or had reason to know of the respondent's conduct.

(c) A respondent may contest the proposed debarment by filing a response with the Corporation within **15 calendar days** [15 DAYS] of receipt of the notice. The response must contain information and argument in opposition to the proposed debarment, including identification of disputed material facts. If the respondent fails to file a timely response, the Corporation will, **at its discretion** [IN ITS DISCRETION], notify the respondent that the respondent is debarred.

(d) If a respondent files a timely response contesting the proposed debarment and requests a hearing, the chief procurement officer will appoint **the deputy executive director or** a corporation employee from outside the department proposing the debarment to act as a hearing officer and issue a decision on the proposed debarment. If the hearing officer finds that the respondent's submission in opposition raised a genuine dispute over facts material to the proposed debarment, the respondent shall be afforded an opportunity to appear with a representative, submit documentary evidence, present witnesses, and confront any witness the Corporation presents.

(e) The hearing officer shall issue a decision on the proposed debarment on the basis of all the information in the administrative record. If the hearing officer decides to impose debarment, the decision must include findings regarding disputed material facts, the reasons for the debarment and the period of debarment including the effective dates. Debarment shall be for a period commensurate with the seriousness of the grounds for debarment.

(f) A debarment decision takes effect upon the issuance of a written decision. After the debarment decision takes effect, the respondent remains debarred and may not be awarded **the**

Corporation [A CORPORATION] grant until a court or the Corporation orders otherwise, or until the debarment period specified in the decision expires. Any existing Corporation grant shall be terminated. If the respondent who has been disbarred is an individual, the individual is debarred from participating in **the Corporation** [A CORPORATION] grant as a principal, officer, director, employee or contractor of a grantee. (Eff. 9/23/97, Register 145; am ___ / ___ / ___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.825 is amended to read:

15 AAC 154.825. Appeal procedures. (a) A grantee may appeal the following decisions under this section:

- (1) a decision to withhold a payment under 15 AAC 154.735;
- (2) a decision of the Corporation to require a refund of grant money under 15 AAC 154.785;
- (3) a decision to suspend a grant under 15 AAC 154.815;
- (4) a decision to terminate a grant under 15 AAC 154.820(c);
- (5) a decision to withhold all or part of a payment on the grounds that a submitted expense is not an allowable cost under 15 AAC 154.775 or 15 AAC 154.776; and
- (6) a decision to debar a respondent under 15 AAC 154.822.

(b) The appellant must submit, within **30 calendar days** [30 DAYS] after receipt of notification of the administrative action or decision, a written appeal to the Corporation's chief procurement officer. The appeal must state the factual grounds upon which the appeal is based,

include relevant exhibits or affidavits, and cite any laws, regulations, or Corporation policies or procedures upon which the appellant relies.

(c) Upon receipt of an appeal, the chief procurement officer shall direct the grant program manager to submit a written response to the appeal within **30 calendar days** [30 DAYS].

(d) After receipt of the Corporation's response, the chief procurement officer shall issue a decision within 45 days stating the reasons for the decision. If the chief procurement officer determines that additional information is necessary to reach a decision, the chief procurement officer will, in the chief procurement officer's discretion, provide for additional written or oral presentations. If the chief procurement officer requests additional presentations, the time within which the chief procurement officer must issue a decision will be extended by **15 calendar days** [15 DAYS]. (Eff. 6/11/96, Register 139; am 9/23/97, Register 145; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.830 is amended to read:

15 AAC 154.830. Sovereign immunity. If the grantee is an entity which possesses sovereign immunity, the grantee must agree as a condition of receiving **the Corporation** [A CORPORATION] grant that the grantee irrevocably waives its sovereign immunity with respect to Corporation enforcement of the grant agreement. The waiver of sovereign immunity must be effected by a resolution of the entity's governing body **or such other procedure as set forth in the entity's governance documents.** (Eff. 6/11/96, Register 139; am ___/___/___, Register___)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.835 is amended to read:

15 AAC 154.835. Definitions. Unless the context indicates otherwise, in 15 AAC 154.700 - 15 AAC 154.835:

(1) “administrative records” means the financial and accounting records, banking records and employee personnel records of the grantee;

(2) “approval” means a written agreement or permission to proceed, signed by an authorized representative of the Corporation, in response to a written request from the grantee or applicant for approval of a proposed action;

(3) “authorized representative of the Corporation” means the executive director or a person to whom the executive director has delegated the authority to act on behalf of the Corporation;

(4[3]) “budget” means the financial expenditure plan of a grant project approved by the Corporation, and includes money awarded under the grant program and any other financing used for the grant project;

(5) “Cost Allocation Plan” means a plan that must explain the logic and methodology of identifying, measuring, and allocating expenses among the grantee’s activities, programs, and/or departments as appropriate;

(5[4]) “grant” means an award of financial or direct assistance by the Corporation to an eligible recipient based on review and approval of an application setting forth a proposed activity or service;

(6[5]) “grant income” means income earned by a grant project during the grant period including, but not limited to, proceeds from the sale of products or services, fees received

for personal services, proceeds from the sale of assets of the grant project, and royalties from copyrights or publications;

(7[6]) “grant period” means the time period for which the grantee has been awarded a grant;

(8[7]) “grant program” means the appropriate program within the Corporation under which grants are made for the type of services or activities the grantee provides;

(9[8]) “grant project” means a project for which a grant has been awarded;

(10[9]) “grantee” means the person or other legally accountable entity which receives a grant;

(11[10]) “non-expendable personal property” means:

(A) an article of tangible personal property which is complete in itself, is of a durable nature, has an expected useful life of more than one year, and has an acquisition cost, as defined in 15 AAC 154.725(b), **with a value greater than the federal micro-purchase threshold as defined in 48 CFR § 2.1** [OF \$5,000 OR MORE]

; or

(B) intangible personal property, such as patents, inventions and copyrights;

(12[11]) “nonprofit corporation” means a corporation no part of the income or profit of which is distributable to its members, directors or officers;

(13[12]) “personal property” means property other than real property;

(14[13]) “program records” means those records maintained by the grantee which are in any way related to the grant project and which are not administrative records of the grantee;

(~~15~~[14]) “project director” means the person indicated by the grantee in its grant application as being the person having primary responsibility for the management of the grant project;

(~~16~~[15]) “real property” means land, land improvements, and structures and appurtenances located on land other than moveable machinery and equipment; and

(~~17~~[16]) “records” means all papers, files, books, photographs, reports, computerized data files, tape recordings, accounts, writings, including drafts and memorialization[S] of conversations, and other items, regardless of format or physical characteristics, whether or not developed or originated by the grantee, which are reasonably required in the performance of, or to document the performance of, the grant project. (Eff. 6/11/96, Register 139; am 6/18/2008, Register 187; am ___/___/___, Register ___)

Authority: AS 18.55.100 AS 18.56.088

Article 9. Other Grant Programs (15 AAC 154.900 to 15 AAC 154.910)

15 AAC 154.900. Grant programs described in other chapters. (a) In addition to the grant programs described in this chapter, the Corporation conducts the following grant programs that are described in the chapters of the Corporation's regulations indicated below:

- (1) home energy loan subsidy grants (15 AAC 155.210 - 15 AAC 155.280);
- (2) home energy rating rebate grants (15 AAC 155.300 - 15 AAC 155.350); and
- (3) low-income residential energy efficiency and retrofit grants (15 AAC 155.410 - 15 AAC 155.470).

(b) In addition to the grant programs described in 15 AAC 154.900(a), the Corporation participates in the HOME program funded through HUD in accordance with HUD requirements.

(Eff. 5/7/93, Register 130)

Authority: AS 18.55.100 AS 18.56.088

15 AAC 154.910. Selection of co-applicants. An authorized representative of the Corporation, as defined in 15 AAC 154.835(3), [THE CORPORATION] may select a co-applicant for a federal grant application through informal solicitation procedures [APPROVED BY THE EXECUTIVE DIRECTOR]. (Eff. 9/23/97, Register 145)

Authority: AS 18.55.100 AS 18.56.088

ALASKA HOUSING FINANCE CORPORATION

Finance Board Report - March 2026

PORTFOLIO/ACTIVITY: <i>(\$ in Thousands)</i>	Current		1 Month Ago		1 Year Ago		3 Years Ago	
	02/28/26	01/31/26	Change	02/28/25	Change	02/28/23	Change	
Total Mortgage Portfolio	4,145,380	4,129,304	0%	3,910,297	6%	3,242,403	28%	
Total Bonds Outstanding	2,862,585	2,864,585	(0%)	2,782,630	3%	2,322,915	23%	
Mortgage/Bond Ratio	1.45	1.44	0%	1.41	3%	1.40	4%	
Mortgage Purchases (12 Months)	580,417	584,862	(1%)	661,692	(12%)	557,088	4%	
Mortgage Payoffs (12 Months)	196,606	191,606	3%	160,544	22%	210,838	(7%)	
Purchase/Payoff Variance	383,811	393,257	(2%)	501,149	(23%)	346,250	11%	
Bond Issuances (12 Months)	233,000	343,000	(32%)	435,220	(46%)	385,665	(40%)	
Special Redemptions (12 Months)	171,725	169,725	1%	77,845	121%	342,210	(50%)	
Issuance/Redemption Variance	61,275	173,275	(65%)	357,375	(83%)	43,455	41%	
Mortgage Average Rate	4.91%	4.90%	0%	4.74%	4%	4.14%	19%	
Fixed Bond Average Rate	4.13%	4.14%	(0%)	4.06%	2%	3.73%	11%	
Mortgage/Fixed Bond Spread	0.78%	0.76%	2%	0.68%	14%	0.41%	89%	
Current Cash Investment Rate	3.93%	3.95%	(1%)	4.64%	(15%)	4.72%	(17%)	
Current Floating Bond Rate	3.62%	3.65%	(1%)	4.21%	(14%)	4.31%	(16%)	
Investment/Float Bond Spread	0.31%	0.30%	3%	0.43%	(28%)	0.41%	(24%)	

GENERAL MORTGAGE REVENUE BONDS 2026 SERIES A

Sources & Uses		Amount (\$000's)	Bond Statistics	
Par Principal Amount		106,400	Bond Type	Housing Revenue
Bond Premium		4,415	Interest Type	Fixed Rate
AHFC Cash Contribution		3,009	Tax Status	Tax-Exempt
Total Sources		113,824	Credit Ratings	AAA/Aaa
New FTHB Mortgages		110,815	Sale Date	02/03/26
Underwriter Fee/Cost of Issuance		793	Issuance Date	03/17/26
Debt Service Reserve Fund		2,216	Bond Yield	4.212%
Total Uses		113,824	Average Life	18 Years

Syndicate Orders		Amount (\$000's)	Investor Orders	Amount (\$000's)
Raymond James	Senior	363,085	BOTO Holdings	34,610
Bank of America	Co-Manager	22,465	Nuveen Asset Mgmt	27,170
RBC	Co-Manager	21,750	Federated Mutual Insur	24,510
Jefferies	Co-Manager	10,650	Vanguard Group	21,825
Wells Fargo	Co-Manager	10,280	RW Baird Advisors	21,600
Fidelity	Co-Manager	9,090	PNC Bank	21,570
JP Morgan	Selling Group	3,820	PIMCO Advisors	20,740
Morgan Stanley	Selling Group	1,750	SIT Investments	19,545
Bancroft	Selling Group	1,500	Capital Research	18,170
Baird	Selling Group	535	Fidelity Investments	18,170
Ramirez	Selling Group	-	JP Morgan Asset Mgmt	18,170
Truist	Selling Group	-	Prudential Financial	18,170
Totals		444,925	Totals	264,250

ALASKA HOUSING FINANCE CORPORATION

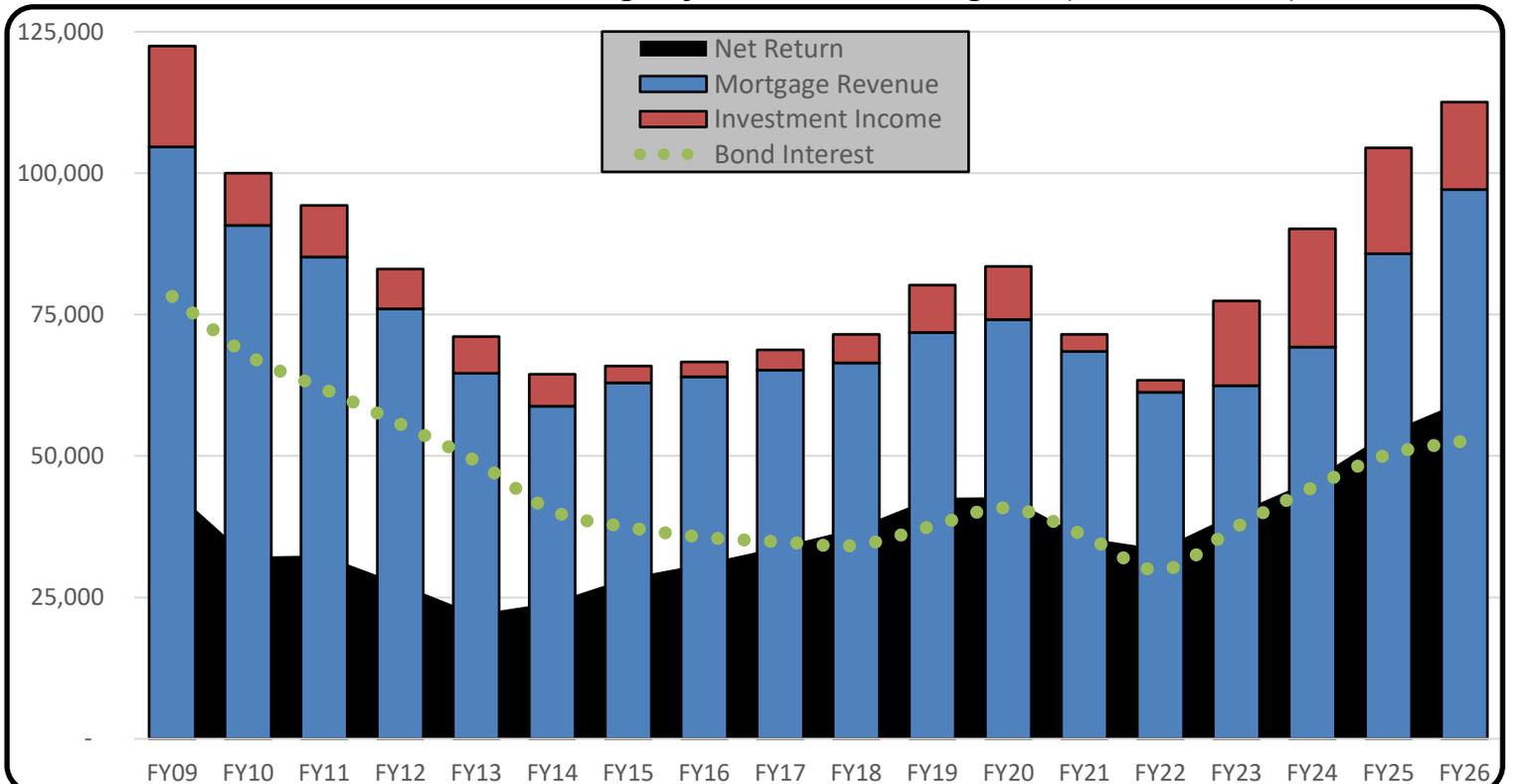
Finance Board Report - March 2026

FINANCIAL STATEMENTS:

(\$ in Thousands)

	Current Quarter	1 Year Ago		2 Years Ago	
	FY26 Q2	FY25 Q2	% Change	FY24 Q2	% Change
Mortgage and Loan Revenue	97,065	85,735	13%	69,235	40%
Grant, Subsidy & Rental Revenue	73,743	61,768	19%	46,314	59%
Total Investment Income	15,511	18,723	(17%)	20,926	(26%)
Other Revenues	1,638	994	65%	1,448	13%
Total Operating Revenues	187,957	167,220	12%	137,923	36%
Bond Interest Expenses	52,689	50,304	5%	44,460	19%
Grant, Subsidy & Rental Expense	58,775	57,157	3%	47,898	23%
Operations and Administration	32,006	28,421	13%	26,145	22%
Other Expenses	13,286	12,694	5%	10,117	31%
Total Operating Expenses	156,756	148,576	6%	128,620	22%
Total Operating Income	31,201	18,644	67%	9,303	235%
Contributions to State of Alaska	1,583	3,012	(47%)	3,352	(53%)
Change in Net Position	29,618	15,632	89%	5,951	398%
Dividend Contributions & Expenses	11,562	16,435	(30%)	13,109	(12%)
Adjusted Change in Net Position	41,180	32,067	28%	19,060	116%
Dividend Calculation (75%)	30,885	24,050		14,295	
Total Assets w/ Deferred Outflows	4,896,012	4,617,432	6%	4,328,797	13%
Total Liabilities w/ Deferred Inflows	3,167,166	2,948,964	7%	2,694,596	18%
Net Position	1,728,846	1,668,468	4%	1,634,201	6%

Net Return on Bond Leverage by Fiscal Year through Q2 (\$ in Thousands)



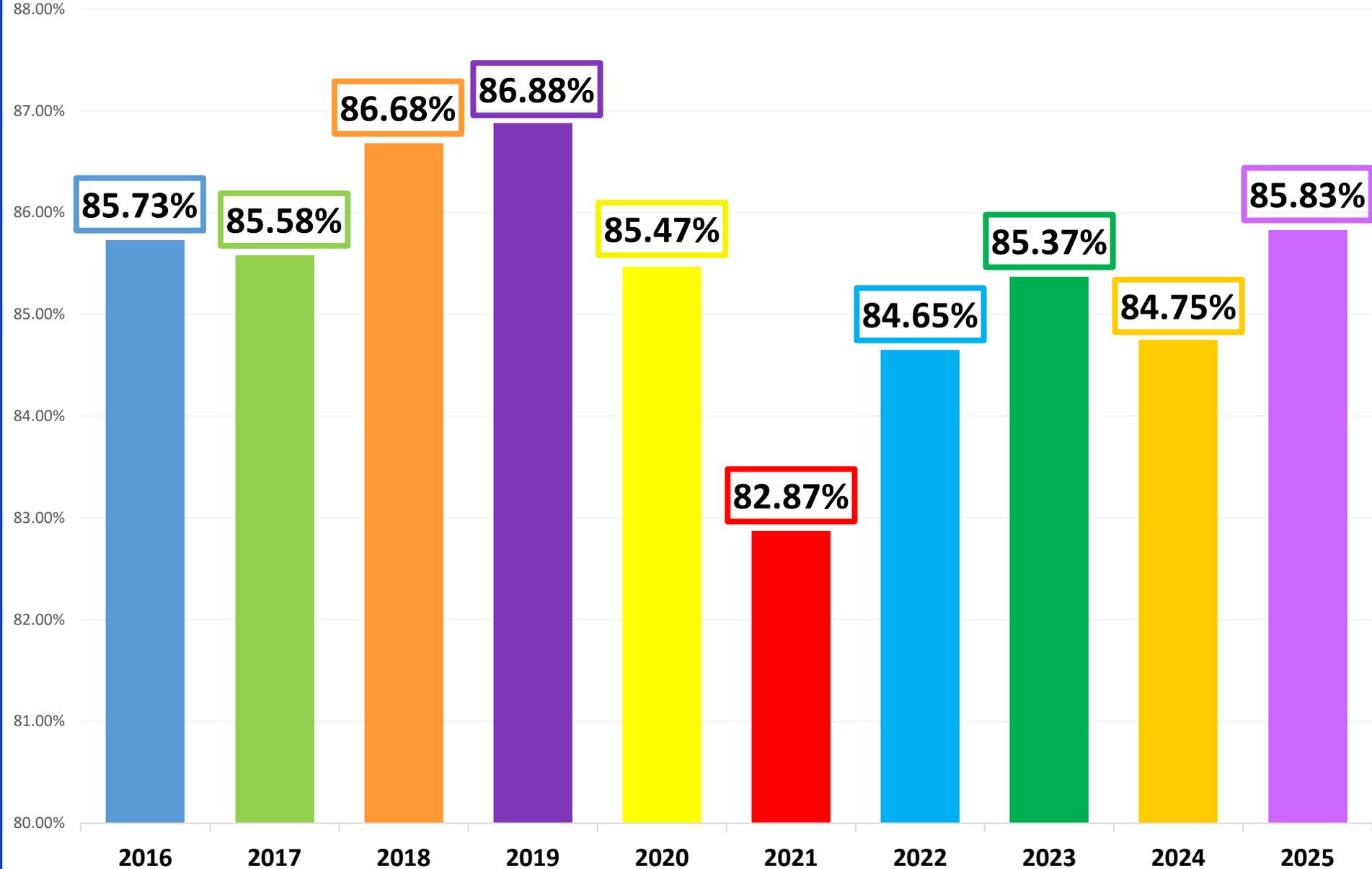
Mortgage Operations

MORTGAGE ACTIVITY SUMMARY LOANS PURCHASED BY PROGRAM

LOAN PROGRAM	February 2026		February 2025		FY 2026 Thru 02/28/2026		FY 2025 Thru 02/28/2025	
	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume
First Home	31	12,959,517	22	8,041,955	236	96,687,240	277	103,652,453
First Home Limited	37	11,031,020	45	12,649,478	322	92,556,522	359	99,038,565
My Home	25	10,493,992	29	14,385,352	315	143,767,068	365	160,574,927
Rural Loan Program	9	3,572,025	14	5,145,050	87	29,205,668	107	38,589,860
Second Mortgage Program	0	0	2	635,586	3	487,000	7	1,620,768
Uniquely Alaskan	1	525,000	0	0	3	1,186,000	1	156,100
Veterans Mortgage Program	10	4,233,526	14	6,403,187	132	61,182,678	176	82,526,079
Residential Loan Program Totals	113	42,815,080	126	47,260,608	1,098	425,072,176	1,292	486,158,752
Condominium Association Loans	0	0	0	0	4	459,500	1	95,645
Multi-Family Lender Originated	0	0	0	0	1	1,183,250	6	5,766,800
Multi-Family, Congregate, Special Needs	0	0	0	0	1	1,024,000	5	4,373,100
Multi-Family Loan Program Totals	0	0	0	0	6	2,666,750	12	10,235,545
Total Loans Purchased	113	42,815,080	126	47,260,608	1,104	427,738,926	1,304	496,394,297
LOAN PROGRAM OPTIONS (Included in Total Loans Purchased)								
Energy Efficiency Interest Rate Reduction	6	2,448,790	2	954,572	45	17,955,989	43	18,015,939
Interest Rate Reduction Low Income Borrowers	1	260,000	0	0	10	1,912,046	12	2,360,638
Renovation Options	4	1,348,518	1	323,000	21	6,959,411	27	9,558,478
Streamline Refinances	3	1,284,000	2	679,449	9	3,208,860	3	964,449

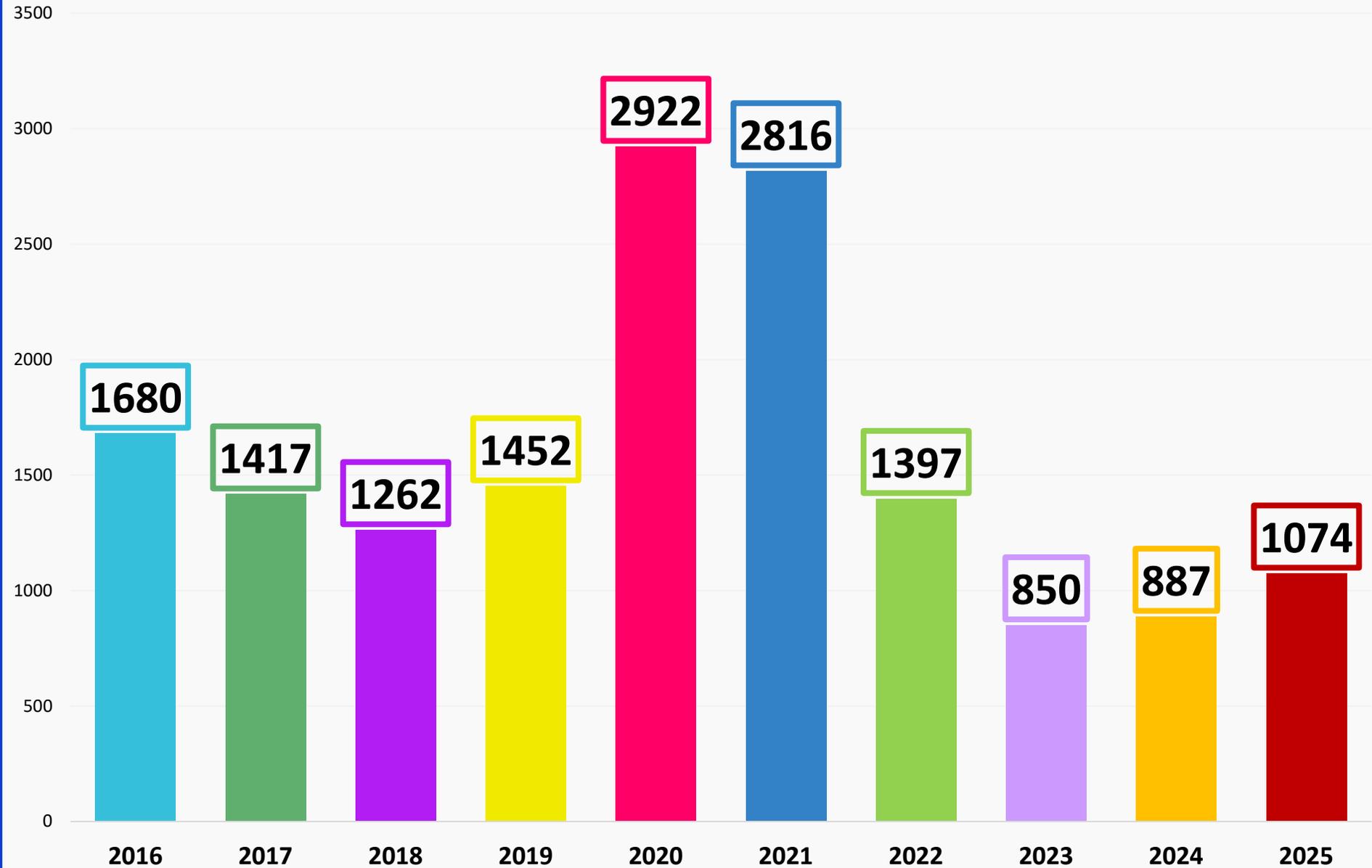
Mortgage Operations

Average LTV @ Origination



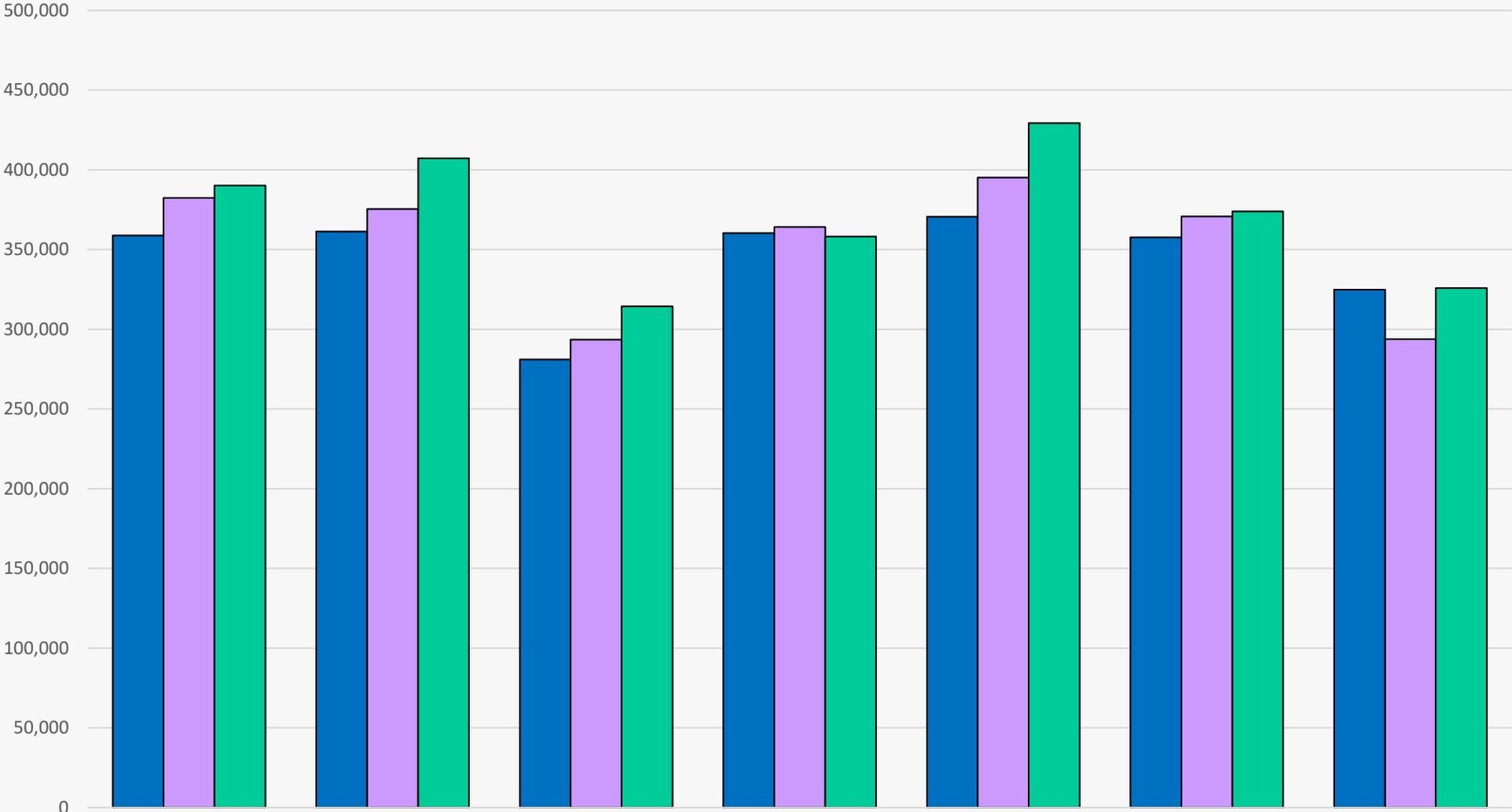
Mortgage Operations

Loan Payoffs



Mortgage Operations

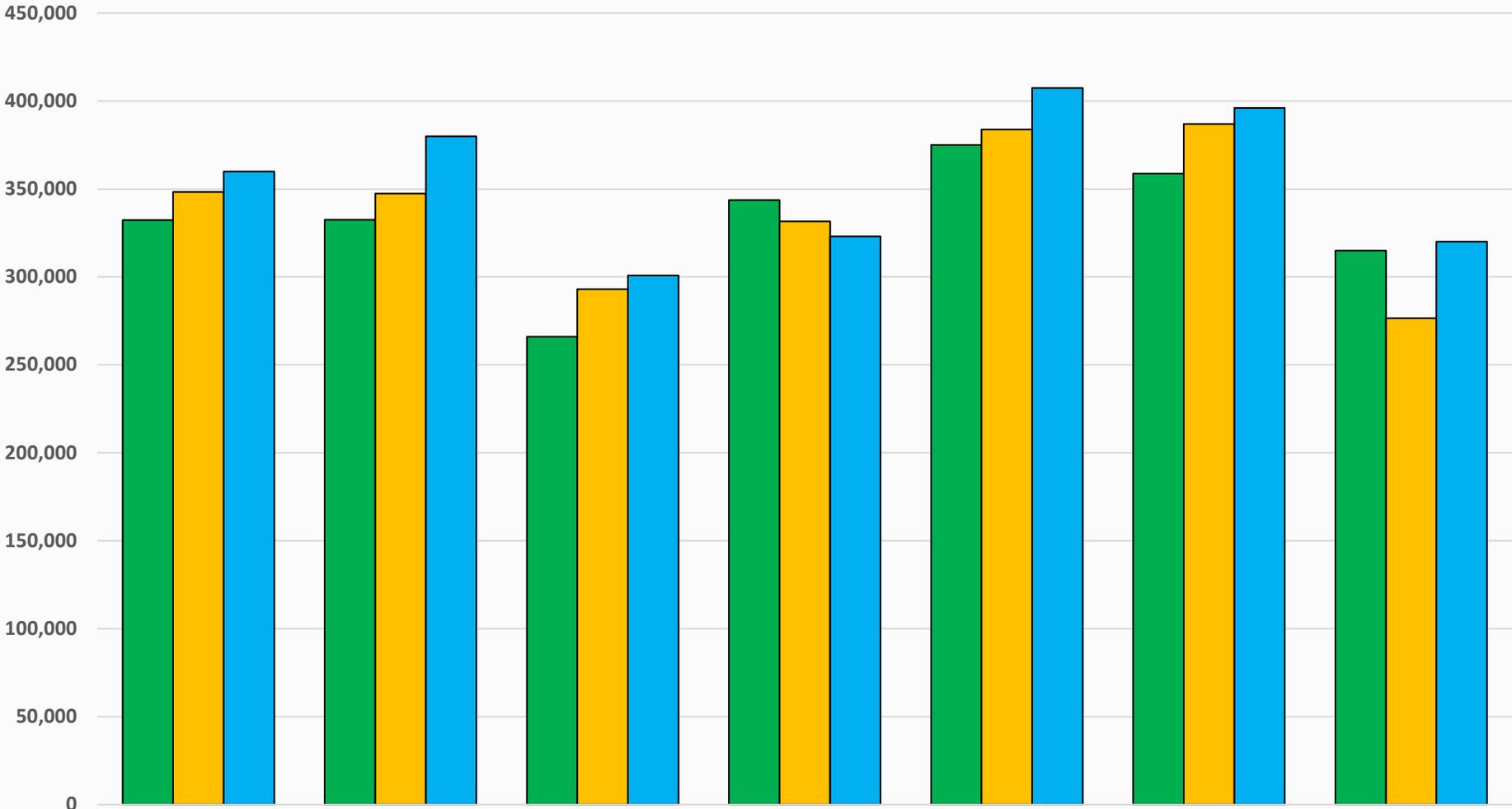
Average Single-Family Loan Amount by Region



	MOA	Mat-Su	Interior	Kenai	Southeast	Kodiak/PWS	Rural
2023	358,927	361,271	281,121	360,300	370,625	357,628	324,819
2024	382,447	375,393	293,440	364,112	395,202	370,740	293,796
2025	390,242	407,338	314,404	358,226	429,295	373,882	325,861

Mortgage Operations

Median Single-Family Loan Amount by Region



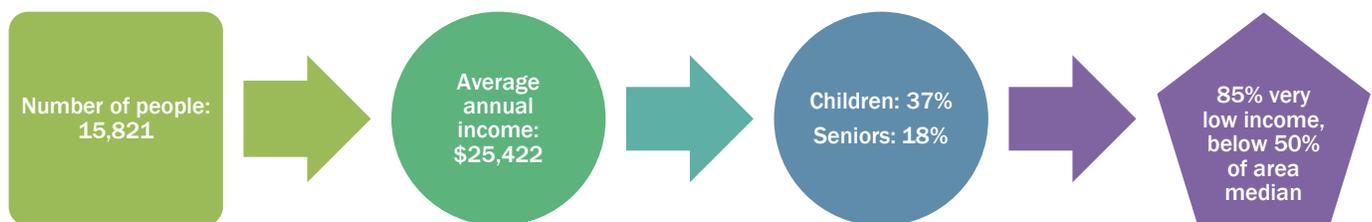
■ 2023	332,250	332,500	265,953	343,660	375,000	358,808	315,000
■ 2024	348,250	347,401	293,064	331,550	383,838	387,000	276,437
■ 2025	360,000	380,000	300,850	323,125	407,400	396,000	320,000

Public Housing Operations Update

March 2026

Operations Updates

- Received HUD approval of our FY 2025 Moving to Work Report.
- Began leasing up sponsor based rental assistance for units at Hitx'I Saani in Sitka and Blueberry Terrace in Valdez.
- Yardi online payment portal is live, utilization has seen steady increases, reducing staff time processing checks and increasing convenience for tenants that pay online.
- 73% of families are working at least part time.



Facilities Management Updates:

- **Anchorage** – Chugach View refrigerator replacements underway, Chugach View drain waste and ventilation cleaning and inspection underway.
- **Wasilla** – Water Heater replacement underway.
- **Bethel** – Phase IV Leveling request for proposal awarded.
- **Juneau** – Mountain View access control upgrade awarded. Cedar Park exterior cleaning awarded. Geneva Woods and Mountain View fuel tank replacements awarded.
- **Ketchikan** – Schoenbar Park security camera upgrades awarded.
- **Nome** – Boiler Replacement Phase III installation completed. Phase IV unit leveling RFP issued.
- **Wrangell** – Security Camera upgrades awarded. Etolin Heights (I & II) sewer line replacement awarded. Etolin Heights II water heater replacement awarded.
- **Corporate** – 700 Bragaw HVAC upgrades underway.
- **Statewide** – Ongoing Environmental Reviews, 5-year and project-specific.

Research and Rural Development Department

March 25, 2026 Board Report

Research and Rural Development Department staff help to promote 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 resources.

During the 2024 Alaska Legislative session, AHFC received a \$7 million appropriation from the legislature intended to incentivize the construction of new housing and relieve pressure on the markets due to lack of inventory.

AHFC met this challenge by bringing back the New Home Construction Rebate program, a successful program that previously led to an increase in new energy efficient home construction of more than 3,600 homes during 2008 to 2018. In August, the AHFC Board of Directors approved amended regulations in preparation of program launch.

The program launched in January 2025. The program is designed to offer rebates of \$10,000 to applicants for new, single-family home construction (including duplexes, triplexes and fourplexes) that meets or exceeds AHFC's 5-star plus energy efficiency standard. Program participants who purchase or build a new home, with a foundation that is installed beginning in 2025, are eligible for the rebate following building completion and submission of all required paperwork.

As of March 6th, 2026 the program status is as below:

Application Statuses

- | | |
|--------------------------|-----|
| • Paid: | 122 |
| • Funds Reserved: | 109 |
| • Remaining Unobligated: | 419 |

Budget

- | | |
|--------------------------------------|-----------------------|
| • Budget for Rebates: | \$6,500,000.00 |
| • Applications Paid: | \$1,220,000.00 |
| • Applications Encumbered: | \$1,090,000.00 |
| • Encumbered and Paid Combined: | <u>\$2,310,000.00</u> |
| • Budget Remaining for Encumbrances: | \$4,190,000.00 |

Planning and Program Development

March, 2026

Fast Facts

- Managing 18 Active Housing Programs
- Managing 216 Active Grant Agreements, Tax Credit Awards and Contracts
- Quick Program Updates
 - o Launched Lands to Housing Catalyst Round for 12 properties acquired from the University, including special purpose funding for the Fairbanks Parking Garage
 - o Launched a new client portal for the Next Gen Stabilization program for 7 partners

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

- Emergency Shelter: 1,080
- Transitional Housing: 186
- Prevention Programs: 399 – these numbers exclude the Federal COVID Housing Relief
- Permanent Supportive Housing Units: 332

AHFC Funded Homeless and Support Service Programs

Homeless Assistance, Special Needs Housing and SAFE-T Program Awards	Active Awards	Annualized Awards
Services - Adult General	32	\$5,656,639
Service - Permanent Supportive Housing	13	\$3,002,720
Service - Prevention	6	\$1,082,120
Service - Shelter	13	\$1,571,799
Services - Domestic Violence	9	\$793,783
Service - Permanent Supportive Housing	1	\$133,162
Service - Prevention	4	\$219,022
Service - Shelter	4	\$441,599
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	4	\$910,402
Service - Shelter	4	\$910,402
Grand Total	51	\$10,008,673

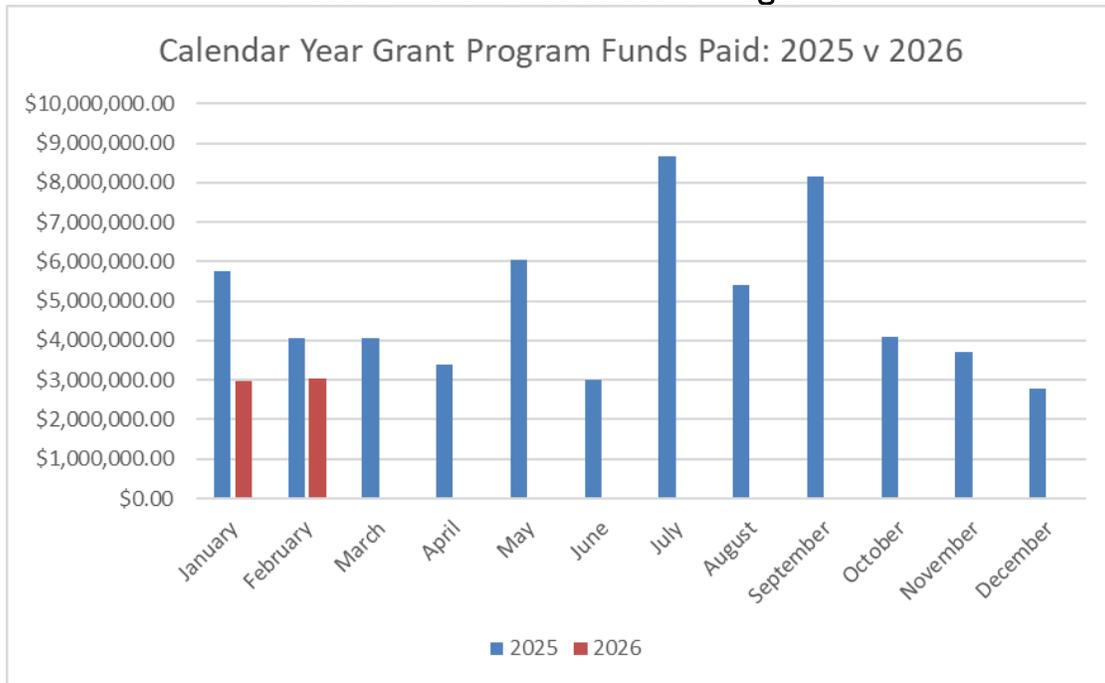
Development Programs Activity

Active Developments by Housing Type	Number of Active Awards Managed	Housing Units Being Built	Total Development Costs
Families	23	525	\$208,564,544.00
Rural Professionals	39	142	\$62,192,846.00
Senior Housing	5	108	\$51,687,065.00
Supportive Housing	3	69	\$22,378,055.22
Grand Total	78	844	\$344,822,510.22

Development Program Notes:

- 51 distinct development partners are currently building in 45 distinct communities
- 33 of 45 communities with active developments meet AHFC’s small community definition

Disbursement Trends across All Programs



Disbursement Activity Notes:

- Seventy-four (74) disbursements were processed during the month of February. Historically, between 24 to 135 disbursements are paid out each month.
 - o In calendar year 2025, \$59.3M in total funding was disbursed to grantees
 - o In calendar year 2024, \$48.4M in total funding was disbursed to grantees
 - o In calendar year 2023, \$58.2M in total funding was disbursed to grantees
 - o In calendar year 2022, \$113.5M in total funding was disbursed to grantees

AHFC 2026 BOARD MEETING SCHEDULE

January 28, 2026 – ~~Audit Committee, ASEC Joint Annual Membership & Board Meeting, & AHFC Regular Board Meeting~~

February 25, 2026 - ~~AHFC Regular Board Meeting~~ – CANCELLED

March 25, 2026 – Special ACAH Board Meeting & AHFC Regular Board Meeting

April 29, 2026 - AHFC Regular Board Meeting

May 27, 2026 – Audit Committee, AHCC Joint Annual Membership & Board Meeting, & AHFC Regular Board Meeting

June 24, 2026 - AHFC Regular Board Meeting

July 29, 2026 - AHFC Regular Board meeting

August 19, 2026 – AHFC Annual Board Meeting- Kotzebue

September 30, 2026 – AHFC Regular Board Meeting

(NCSHA Annual Conference 2026 October 3-October 6, Detroit, MI)

October 28, 2026 - Audit Committee, ACAH Joint Annual Membership & Board meeting, & AHFC Regular Board Meeting

November 18, 2026 - NTSC Annual Membership & Board Meeting, & AHFC Regular Board Meeting

Please note that all dates/locations may be subject to change

