

MINUTES

ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS

REGULAR MEETING

June 26, 2024

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met June 26, 2024, 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:

BRENT LEVALLEY	Chair Member of the Board
JESS HALL	Vice Chair Member of the Board
ALLEN HIPPLER	Member of the Board
DAVID PRUHS	Member of the Board
FADIL LIMANI	Designee for Commissioner Department of Revenue Member of the Board
SANDRA MOLLER	Designee for Commissioner Department of Commerce, Community, & Economic Development Member of the Board
COMMISSIONER HEDBERG via teleconference	Commissioner Department of Health Member of the Board (telephonic but did not participate)

- A. **ROLL CALL.** CHAIR LEVALLEY called the meeting to order. A quorum was declared present, and the meeting was duly and properly convened for the transaction of business.
- II. **APPROVAL OF AGENDA.** CHAIR LEVALLEY asked for a motion to approve the agenda. ALLEN HIPPLER moved to approve the agenda as presented. DAVID PRUHS seconded. Hearing no objections, the agenda was approved as presented.
- III. **MINUTES OF MAY 29, 2024.** CHAIR LEVALLEY asked for a motion to approve the minutes. ALLEN HIPPLER moved to approve the May 29, 2024 minutes as presented. DAVID PRUHS seconded. Hearing no objections, the meeting minutes were approved as presented.

IV. **PUBLIC COMMENTS:** There were no public comments.

V. **OLD BUSINESS:** No old business to discuss with the Board.

VI. **NEW BUSINESS**

- A. **Consideration of a Resolution for Review and Approval of the FY2025 Operating Budget for the Low-Rent Asset Management Developments (AMPs) and the Central Office Cost Center (COCC) (2024-06).** BRYAN BUTCHER introduced the item and JAMES WIEDLE presented. Mr. Wiedle stated the budgets presented are already in AHFC's operating budget and are expected to be approved by the governor, but the U.S. Department of Housing and Urban Development (HUD) requires AHFC to obtain a Board resolution authorizing approval of the budgets prior to the start of FY25. AHFC owns and operates the Low Rent Asset Management Program wherein tenants pay rent they can afford and AHFC receives an operating subsidy from HUD for maintenance and upkeep. As the public housing authority for Alaska, AHFC has the option to maintain and operate a COCC, which is a coordinating entity providing administrative, technical and facility support to various public housing and voucher programs that it operates. The lower-end FY25 estimate is \$19.8 million. There is sufficient revenue in reserve available to fund the anticipated expenses. Approximately \$9.8 million is anticipated for the COCC, which is mainly facilities, management and administrative support expenses. Staff recommended approval of Resolution 2024-06. Neither seeing nor hearing any questions, CHAIR LEVALLEY asked for a motion to approve Resolution 2024-06. JESS HALL moved to approve Resolution 2024-06. ALLEN HIPPLER seconded. CHAIR LEVALLEY asked for roll call vote and Resolution 2024-06 was approved unanimously. (6-0). **RESOLUTION NO. 2024-06: RESOLUTION APPROVING FY2025 OPERATING BUDGET FOR THE LOW-RENT ASSET MANAGEMENT DEVELOPMENTS (AMPS) AND THE CENTRAL OFFICE COST CENTER (COCC)**
- B. **Consideration of a Resolution Approving the FY2024 Vacated Tenant Accounts Receivables and Write-Offs (2024-07).** BRYAN BUTCHER introduced the item and CATHY STONE presented. Ms. Stone explained that though write-off accounts are removed from AHFC's active accounts receivable, AHFC through the Public Housing Department continues to collect on these debts. This year AHFC collected over \$41,000. This year, AHFC is requesting write-offs of \$534,956, of which 65% is debt from unpaid rent, 30% is from maintenance charges, and the remainder for unpaid utilities. The Public Housing Department requested and recommended board approval of Resolution 2024-07. Board Members JESS HALL, FADIL LIMANI, and DAVID PRUHS asked questions. CATHY STONE and BRYAN BUTCHER responded. After neither seeing nor hearing any further questions, CHAIR LEVALLEY asked for a motion to approve Resolution 2024-07. DAVID PRUHS motioned for approval of Resolution 2024-07. JESS HALL seconded. A roll call vote was taken and the resolution was passed unanimously. (6-0). **RESOLUTION NO. 2024-07: RESOLUTION APPROVING FY2024 VACATED TENANT ACCOUNTS RECEIVABLES.**
- C. **Consideration of Resolution Approving \$1.5 Million for the Cook Inlet Lending Center, Inc. (CILC) under the Loans-to-Sponsors Loan Program (2024-08).** BRYAN BUTCHER introduced the item and RICHARD MCKINSTRY presented. Mr. McKinstry provided an overview of the

Loans-to-Sponsor Loans Program. Cook Inlet Lending Center (CILC) has applied for \$1.5 million of funds under the program for its down payment assistance loan program. The funds allow CILC to continue its loan program. After neither seeing nor hearing any questions, CHAIR LEVALLEY asked for a motion to approve Resolution 2024-08. JESS HALL motioned for approval of Resolution 2024-08. DAVID PRUHS seconded. A roll call vote was taken, and Resolution 2024-08 was passed unanimously. (6-0). **RESOLUTION NO. 2024-08: RESOLUTION APPROVING \$1.5 MILLION FOR THE COOK INLET LENDING CENTER, INC. (CILC) UNDER THE LOANS -TO-SPONSERS LOAN PROGRAM.**

- D. **Consideration of a Resolution Authorizing Public Hearings for Amendments to: 15 AAC 155.300-15. AAC 155.350 Article 3 - Home Energy Rating Rebate Grant Program (2024-09).** BRYAN BUTCHER introduced the item and JIMMY ORD presented. Mr. Ord stated two recent funding appropriations for energy efficiency incentives necessitated AHFC modifications to the regulations governing energy rebate programs. First, congressional law which passed in 2022 has a provision for state administered home energy rebate programs. Alaska is anticipated to receive \$74.4 million from the United States Department of Energy. Second, the Alaska legislature appropriated \$7 million for the resurrection of the New Home Construction Rebate Program. If the funding is retained the program would incentivize homeowners to build or purchase new energy efficient housing. The current regulations reflect old, previous home energy rebate programs and need to be modified to account for the different rebate amounts and participants. Staff requested board authorization to hold a public hearing on the proposed regulation changes. After neither seeing nor hearing any questions, CHAIR LEVALLEY asked for a motion to approve Resolution 2024-09. ALLEN HIPPLER moved to approve Resolution 2024-09. JESS HALL seconded. A roll call vote was taken, and Resolution 2024-09 was approved unanimously. (6-0) **RESOLUTION NO. 2024-09: RESOLUTION AUTHORIZING PUBLIC HEARINGS FOR AMENDEMENTS TO: 15 AAC 155.300-15. AAC 155.350 ARTICLE 3- HOME ENERGY RATING REBATE GRANT PROGRAM.**
- E. **Consideration of a Resolution Amending Prior Board Resolution 2022-12 and Authorizing the Issuance and Sale of not to Exceed \$2,000,000 Conduit Revenue Bond 2022-12 (Fairbanks Affordable Housing Project) and approving related matters (2024-10).** BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated the project is a 58-unit, multifamily affordable housing development in Fairbanks, currently at 87% completion and expected to be ready for occupancy later this year. Financing comes from 4% tax credits which need the tax-exempt bonds for U.S Internal Revenue Service (IRS) requirements. The Board previously approved a total \$15 million of bonding, of which \$13 million was issued for one series. The project now needs the remaining \$2 million to satisfy IRS requirements, requiring AHFC to issue another bond as an additional series. The bond will be sold directly to the construction lender, First National Bank of Alaska as a private placement transaction. No public bonds are sold, and payments will be strictly from the Fairbanks Affordable Housing LLC, which is made up of the Alaska Corporation for Affordable Housing, the developers and the tax credit form. This is a conduit deal AHFC is issuing for tax exempt requirements, and has no recourse on AHFC. Staff recommended board approval of Resolution 2024-10. Board members ALLEN HIPPLER and JESS HALL asked questions. MIKE STRAND and BRYAN BUTCHER responded. Board member DAVID PRUHS made a statement about the project. After neither seeing nor hearing any further questions, CHAIR

LEVALLEY asked for a motion to approve Resolution 2024-10. ALLEN HIPPLER moved to approve Resolution 2024-10. JESS HALL seconded. A roll call vote was taken, and Resolution 2024-10 was approved unanimously. (6-0). **RESOLUTION NO. 2024-10: RESOLUTION AMENDING PRIOR BOARD RESOLUTION 2022-12 AND AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$2,000,000 CONDUIT REVENUE BOND 2022-12 (FAIRBANKS AFFORDABLE HOUSING PROJECT) AND APPROVING RELATED MATTERS.**

VII. **REPORT OF THE CHAIR.** CHAIR LEVALLEY reiterated he and Mr. Pruhs had toured the Borealis Park Project and took a look at the Meadows, other units finished in 2023 as part of a visit from Senator Dan Sullivan. CHAIR LEVALLEY stated he was impressed with the whole operation and the major upgrade. He gave thanks to both Chelsea Smith and Akis Gialopsos for a great presentation and believed Senator Sullivan was equally impressed.

VIII. **BOARD COMMITTEE REPORTS.** None

IX. **REPORT OF THE EXECUTIVE DIRECTOR.** BRYAN BUTCHER presented and reported on the Alaska Corporation for Affordable Housing special meeting that took place prior to the AHFC Regular Board meeting. Mr. Butcher stated AHFC is focusing on the operating and capital budget and that he would brief the board by e-mail as well as talk about it at the next Board meeting. He stated AHFC had an increased number of meetings with developers looking to develop in Anchorage, Fairbanks and other areas. He met with Gabe Layman, Cook Inlet Housing Authority's new executive director who replaced Colleen Dushkin. He met with John Springsteen, former Deputy Commissioner of Commerce, Community, and Economic Development, who most recently was the governor's liaison to state corporations. Mr. Springsteen is now a Commissioner for the Regulatory Commission of Alaska. Mr. Butcher mentioned the next regular Board meeting is July 31, 2024 at 10:00 a.m. The next annual Board meeting, with selection of officers, is August 21, 2024 in Unalaska/Dutch Harbor.

X. **ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD.**

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

2. Meeting Schedules.

AHFC Regular Board Meeting

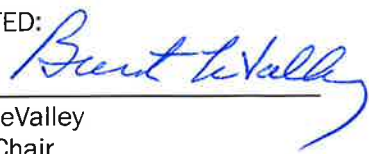
July 31, 2024 at 10:00 a.m.

XI. **EXECUTIVE SESSION.** No Executive Session was required.

XII. **ADJOURNMENT.** CHAIR LEVALLEY asked for a motion to adjourn. FADIL LIMANI moved to adjourn. JESS HALL seconded.

Chair LeValley adjourned the meeting at 10:56 a.m.

ATTESTED:


Brent LeValley
Board Chair


Bryan Butcher
CEO/Executive Director