

ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS REGULAR MEETING

March 26, 2025

10:00 a.m.

Anchorage

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. MINUTES: January 29, 2025
Next Resolution: #25-06
- IV. PUBLIC COMMENTS
- V. OLD BUSINESS: NONE
- VI. NEW BUSINESS:
 - A. Consideration of a Resolution Authorizing the Issuance and Sale of Not to Exceed \$175,000,000 State Capital Project Bonds II, in One or More Series, and Authorizing and Approving Related Matters. (25-06)
 - B. Consideration of a Resolution to Adopt Revised FY2026-FY2028 AHMC Salary Schedule (25-07 & 25-08)
- 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

BOARD OF DIRECTORS REGULAR MEETING

January 29, 2025

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation (AHFC) met January 29, 2025, 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 (telephonic)	Chair Member of the Board
JESS HALL	Vice Chairman Member of the Board
ALLEN HIPPLER	Member of the Board
DAVID PRUHS	Member of the Board
FADIL LIMANI (telephonic)	Designee for Commissioner Department of Revenue Member of the Board
HEIDI HEDBERG (telephonic)	Commissioner Department of Health Member of the Board
SANDRA MOLLER (telephonic)	Designee for Commissioner Department of Commerce, Community & Economic Development Member of the Board

- I. **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 if there were any changes to the agenda. There were none. JESS HALL moved to approve the agenda as presented. DAVID PRUHS seconded. Hearing no objections, the agenda was approved as presented.



- III. **APPROVAL OF NOVEMBER 20, 2024, MEETING MINUTES:** CHAIR LEVALLEY asked for a motion to approve the minutes. JESS HALL moved to approve the November 20, 2024 meeting 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:** There was no old business to come before the board.
- VI. **NEW BUSINESS:**
- A. **Consideration of a Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.020 Loan Terms (Special Mortgage Loan Program). (2025-01)**
- B. **Consideration of a Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.650 REO Financing Program. (2025-02)**
- C. **Consideration of a Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.660 Condominium Stabilization Program. (2025-03)** Bryan Butcher introduced agenda items A, B, C and Stephanie Eddy, Underwriting Manager, presented since they all pertained to the mortgage department and mortgage programs. Ms. Eddy stated the public hearing held on November 21, 2024 focused on amending Articles 1 and 7, which govern the special mortgage loan and REO financing programs. The proposed change removes the 95% loan-to-value cap, aligning with Alaska statutes, and sets the new cap at 97%. Public feedback included support from lending partners, as the change will help homebuyers with down payments. Staff recommends board approval for the regulation changes, with ongoing monitoring of the loan option. Mr. Butcher added that the changes were driven by a need for greater competitiveness with Fannie Mae and Freddie Mac in Alaska. A governor's bill, introduced and signed into law last summer, addressed these issues to improve opportunities for Alaskans. Seeing and hearing for further questions, CHAIR LEVALLEY asked for a motion to approve resolution 25-01, 25-02, and 25-03.
- Resolution 25-01** JESS HALL moved to approve Item A, the Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.020 Loan Terms (Special Mortgage Loan Program). DAVID PRUHS seconded. Roll call vote was taken. Motion passed (6-0)
- Resolution 2025-02** JESS HALL moved to approve Item B, the Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.650 REO Financing Program. DAVID PRUHS seconded. Roll call vote was taken. Motion passed (6-0)
- Resolution 2025-03** JESS HALL moved to approve Item C, the Resolution Authorizing the Final Adoption of Proposed Amendments to 15 AAC 151.660

Condominium Stabilization Program. DAVID PRUHS seconded. Roll call vote was taken. Motion passed (6-0)

D. Consideration of a Resolution Approving the Transfer of Funds to the Alaska Corporation for Affordable Housing in Accordance with the FY2024 Moving to Work Annual Plan. (2025-04) Bryan Butcher introduced the item and Cathy Stone, Public Housing Director, presented on the transfer of funds to the Alaska Corporation for Affordable Housing (ACAH), in accordance with the FY24 Moving to Work annual plan. Ms. Stone explained the Moving to Work agreement with HUD provides broader fund use authority, enabling the creation of a sponsor-based rental assistance program and a development partnership with ACAH. Established in 2011, ACAH focuses on affordable housing development, management, and operation. Ms. Stone stated this resolution requests a transfer of \$8 million from AHFC Moving to Work reserves to ACAH for the development of 20 affordable housing units in Valdez, Alaska. Staff recommends board approval of the resolution. After questions from board members and a discussion, CHAIR LEVALLEY asked for a motion and second. JESS HALL moved to approve Resolution 2025-04 to transfer funds to ACAH in accordance with the FY2024 Moving to Work Annual Plan. DAVID PRUHS seconded. Roll call vote was taken. Motion passed (7-0)

E. Consideration of a Resolution Approving an Extension to the Public Housing Department Moving to Work Agreement. (2025-05) Bryan Butcher introduced the item and Cathy Stone presented. Ms. Stone explained that this resolution requests approval to extend the Moving to Work agreement with HUD, which allows flexibility to design programs for Alaskan housing needs. Notable programs include STEP, Classic, Jumpstart, and the Landlord Appreciation Program. The Alaska Corporation for Affordable Housing has created 266 new units. HUD has authorized an extension through 2038, and staff recommends board approval. JESS HALL moved to approve. DAVID PRUHS seconded. Roll call vote was taken. Motion passed (7-0)

VII. REPORT OF THE CHAIR: CHAIR LEVALLEY requested Mr. Butcher to schedule a work session for the board to better understand Green Bank issues and discuss board governance topics, including fiduciary responsibilities, investments, and RFPs, as covered in a document shared last fall. The goal is to find a date that allows all board members to attend in person for a more effective session.

VIII. BOARD COMMITTEE REPORTS: There were no board committee reports to come before the board.

IX. REPORT OF THE EXECUTIVE DIRECTOR: Bryan Butcher shared that a recent memo from the federal Office of Management and Budget (OMB) caused uncertainty regarding the pausing of federal programs and grants, including housing-related programs. A judge issued a temporary stay, and just before the board meeting, the OMB memo was rescinded. While the pause appears resolved for now, the challenge remains in determining which programs might be affected in the future. He stated federal funds are critical to the corporation, comprising two-thirds of the operating budget and funding about 50% of staff salaries. The legislature has begun its

session, with budget discussions underway. It's anticipated to be a lean year with fewer program additions. The board had previously approved the formation of a Building Code Advisory Council, which held its first meeting in December 2024 and will meet again in March. Mr. Butcher is also involved with Housing Alaskans, a public-private partnership focused on unmet housing needs, and recently rejoined the Foraker Group's board to collaborate with nonprofits. A meeting is planned with Eklutna, Inc. regarding housing development in Eagle River. Additionally, annual rating agency meetings with Moody's, S&P, and Fitch are scheduled for next week in New York City. The next board meeting is set for February 26, 2025.

X. ANY OTHER MATTERS TO COME BEFORE THE BOARD:

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

2. Meeting Schedules.

AHFC Board Meeting
2025

Wednesday, February 26,

XI. EXECUTIVE SESSION. There was no need for an executive session.

XII. ADJOURNMENT. With no other matters to come before the board, CHAIR LEVALLEY asked for a motion to adjourn the meeting. DAVID PRUHS moved to adjourn the meeting. JESS HALL seconded.

Chair LeValley adjourned the meeting at 10:45 a.m.

ATTESTED:

Brent LeValley
Board Chair

Bryan Butcher
CEO/Executive Director

ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: March 26, 2025

Staff: Mike Strand

Item: State Capital Project Bonds II, 2025

Proposal:

Staff is proposing the issuance of up to \$175 million State Capital Project Bonds II, 2025 (the "Bonds"), in one or more series, similar to other previously approved State Capital Project Bonds II, of which there are currently \$1.25 billion outstanding.

Background:

AHFC has contributed almost \$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, therefore allowing us to use low-cost tax-exempt funds to finance non-qualified conventional mortgages. AHFC has issued \$3.0 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. A portion of the Bonds will also be used to current refund State Capital Project Bonds II 2015 Series B at the earliest allowable redemption date for economic savings. 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 maximize debt life and take advantage of yield curve shifts.

The Bonds are expected to have credit ratings of AA+ and Aa2 from S&P and Moody's, respectively. AHFC anticipates going to market and pricing the Bonds in early May to raise additional capital at a positive rate spread for business operations. The Bonds as presently structured would have an average life of under nine years and a projected yield of around 3.50%, based on current market prices. For the economic refunding, AHFC



could refund approximately \$25 million for NPV savings around \$1 million, but market volatility could change this based on our savings and efficiency thresholds.

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 September 2024 to choose a rotating 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, RBC was selected from the rotation as the senior manager for this transaction, and Bank of America, Jefferies, Morgan Stanley, Ramirez and Raymond James 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

**BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION
RESOLUTION NO. 2025-06**

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$175,000,000 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 “2025 Bonds”); and

WHEREAS, the Corporation may issue the 2025 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 2025 Bonds may not exceed \$175,000,000, 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 2025 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 2025 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 2025 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 2025 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 in the Preliminary Official Statement which has been 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 2025 Bonds (the “Preliminary Official Statement”), the final form of which shall contain the final terms of such 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Bonds are hereby authorized, approved, and confirmed, provided that (1) the 2025 Bonds are in an aggregate principal amount (not including any sale premium) not exceeding \$175,000,000, with such principal amount allocated among the Series as the Corporation may determine, (2) each Series of 2025 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 2025 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 2025 Bonds all pertinent information relating to such 2025 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 2025 Bonds are hereby ratified, confirmed, and approved.

Section 4. The Authorized Officers of the Corporation are each authorized to have the 2025 Bonds prepared and to execute and authorize the delivery of the applicable Series of 2025 Bonds to the Underwriters in accordance with the terms of the respective Bond Purchase Agreement and upon receipt of the purchase price for such 2025 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 2025 Bonds.

Section 5. The Authorized Officers are severally authorized, after execution of the 2025 Bonds of a Series, to deliver such 2025 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 2025 Bonds, to deliver to the Trustee a written order in the name of the Corporation directing the Trustee to deliver such 2025 Bonds to the purchasers and to receive the proceeds of sale of such 2025 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 2025 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 2025 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 2025 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 2025 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 _____, 2025.

Brent LeValley-Board Chair



ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: March 26th, 2025

Staff: Candice Cheshire

Item: Resolution to adopt new FY2026 and FY2028 salary schedules following collective bargaining with Alaska Housing Maintenance and Custodial Employees Association Local #6082 (AHMC).

Background:

In accordance with the recently concluded collective bargaining process between AHFC and AHMC, we have negotiated new terms concerning AHMC employee compensation. As part of this agreement, adjustments to the salary schedules for employees covered under the AHMC collective bargaining agreement (CBA) are required to reflect the negotiated changes, including updated salary schedules for FY2026 and FY2028.

The bargained CBA for AHMC is effective March 16th, 2025 to March 15th, 2027.

Issue:

Consistent with AHFC Rule 8.05.00 salary schedules must be approved by The Board.

The attached, proposed AHMC salary schedules for FY2026 implements the bargained changes effective July 1st, 2025. The attached, proposed salary schedule for FY2028 implements the bargained changes effective July 1st, 2027.

The bargained AHMC salary schedules for FY2026 are within the budget authority granted to AHFC. The FY2028 AHMC salary schedule is subject to Board approval of AHFC's FY2028 operating budget request, as well as approval from the legislature and the Governor.

Recommendation:

Staff recommends AHFC Board approval of the attached, updated AHMC salary schedules for FY2026 and FY2028 to implement with the agreed terms of the AHMC CBA. The salary schedules fully implement salary schedule changes bargained for in the AHMC CBA for the period of March 16th 2025 to March 15th, 2028.



BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION

RESOLUTION No. 25-07
March 26th, 2025

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ALASKA HOUSING FINANCE CORPORATION APPROVING ADOPTION OF THE FY2026 AHMC REVISED SALARY SCHEDULES

WHEREAS, the Board of Directors recognizes the successful conclusion of collective bargaining with Alaska Housing Maintenance and Custodial Employees Association Local #6082 (AHMC), resulting in revised salary schedules for employees covered by the collective bargaining agreement (CBA); and

WHEREAS, the updated salary schedules are necessary to implement the bargained terms of the CBA effective March 16th, 2025 and

WHEREAS, the Corporation has revised AHMC's salary schedules to reflect agreements outlined in the CBA;

WHEREAS, effective July 1st, 2025, the amounts set out in AHMC's most current salary schedules are updated for FY2026 from the last updated salary schedule, updated July 1st, 2024;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Alaska Housing Finance Corporation that the salary adjustments as provided in the AHMC FY2026 salary schedule effective July 1st, 2025, presented in this meeting be approved and adopted.

PASSED AND APPROVED by the Board of Alaska Housing Finance Corporation this 26th day of March, 2025.

Brent LeValley,
Board Chair



BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION

RESOLUTION NO. 25-08

March 26, 2025

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ALASKA HOUSING
FINANCE CORPORATION APPROVING ADOPTION OF THE FY2028 AHMC
REVISED SALARY SCHEDULES

WHEREAS, the Board of Directors recognizes the successful conclusion of collective bargaining with Alaska Housing Maintenance and Custodial Employees Association Local #6082 (AHMC), resulting in revised salary schedules for employees covered by the collective bargaining agreement (CBA); and

WHEREAS, the updated salary schedules are necessary to implement the bargained terms of the CBA effective March 16th, 2025;

WHEREAS, the Corporation has revised AHMC's salary schedules to reflect the agreements outlined in the CBA;

WHEREAS, the amounts set out in the FY2028 AHMC salary schedules are subject to board, legislative and Governor approval of the AHFC FY2028 Operating Budget Request;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Alaska Housing Finance Corporation that the salary adjustments as provided in the AHMC FY2028 salary schedule effective July 1st, 2027, presented in this meeting be approved and adopted.

PASSED AND APPROVED by the Board of Alaska Housing Finance Corporation this 26th day of March, 2025.

Brent LeValley,
Board Chair

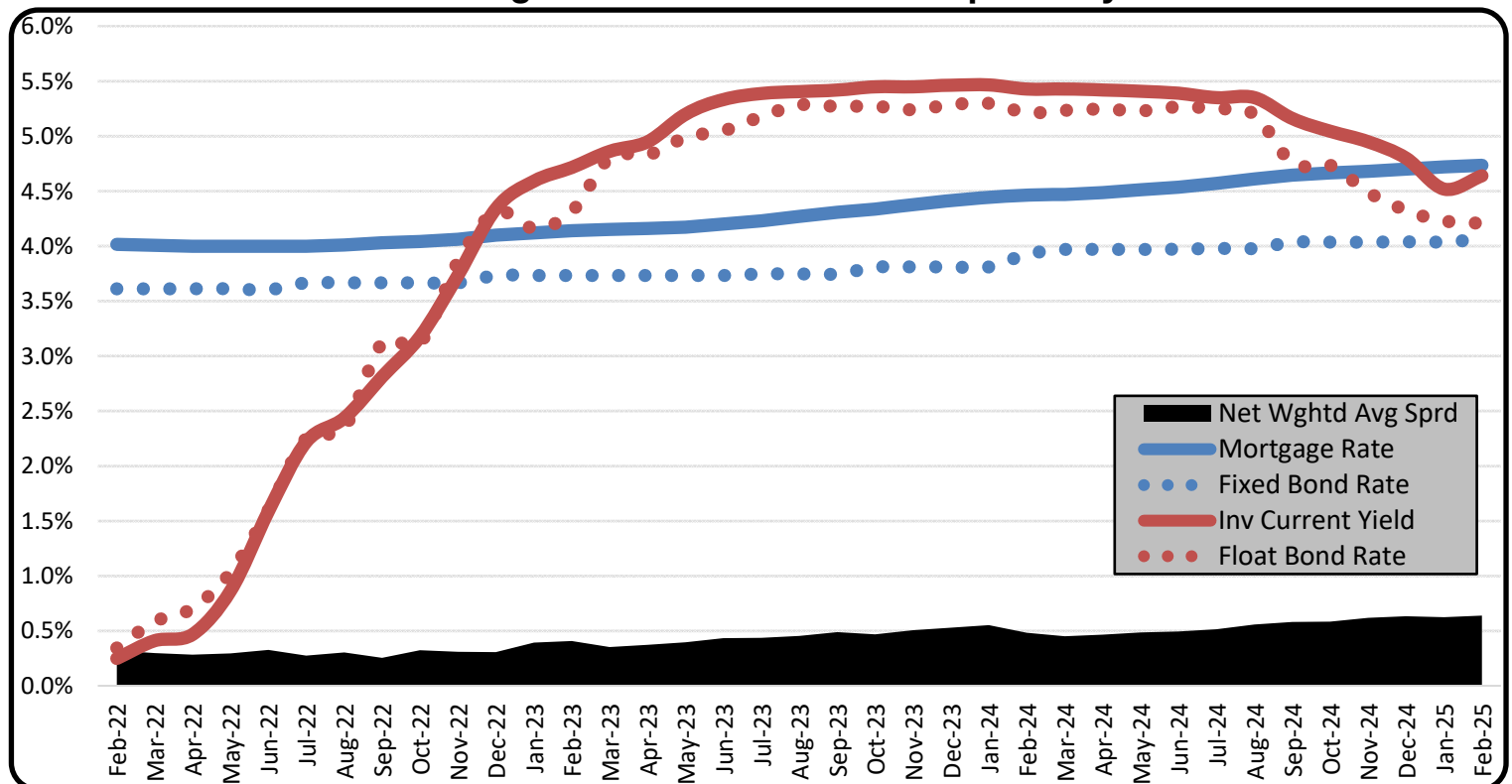


ALASKA HOUSING FINANCE CORPORATION

Finance Board Report - March 2025

PORTFOLIO/ACTIVITY: (\$ in Thousands)	Current	1 Month Ago		1 Year Ago		3 Years Ago	
	02/28/25	01/31/25	Change	02/29/24	Change	02/28/22	Change
Total Mortgage Portfolio	3,910,297	3,884,665	1%	3,550,300	10%	3,022,525	29%
Total Bonds Outstanding	2,782,630	2,672,630	4%	2,476,595	12%	2,257,400	23%
Mortgage/Bond Ratio	1.41	1.45	(3%)	1.43	(2%)	1.34	5%
Mortgage Purchases (12 Months)	661,692	648,748	2%	543,320	22%	612,878	8%
Mortgage Payoffs (12 Months)	160,544	156,777	2%	127,832	26%	535,922	(70%)
Purchase/Payoff Variance	501,149	491,971	2%	415,488	21%	76,956	551%
Bond Issuances (12 Months)	435,220	445,220	(2%)	269,895	61%	213,215	104%
Special Redemptions (12 Months)	77,845	77,845	0%	74,950	4%	148,205	(47%)
Issuance/Redemption Variance	357,375	367,375	(3%)	194,945	83%	65,010	450%
Mortgage Average Rate	4.74%	4.72%	1%	4.46%	6%	4.01%	18%
Fixed Bond Average Rate	4.06%	4.04%	1%	3.93%	3%	3.61%	12%
Mortgage/Fixed Bond Spread	0.68%	0.68%	0%	0.53%	29%	0.40%	71%
Current Cash Investment Rate	4.64%	4.52%	3%	5.43%	(15%)	0.25%	1756%
Current Floating Bond Rate	4.21%	4.23%	(1%)	5.21%	(19%)	0.34%	1137%
Investment/Float Bond Spread	0.43%	0.29%	50%	0.22%	97%	(0.09%)	582%
Delinquent % of \$ (30 Days)	1.56%	1.41%	11%	1.65%	(5%)	1.70%	(8%)
Delinquent % of \$ (60+ Days)	1.04%	1.08%	(4%)	1.32%	(21%)	2.19%	(53%)
Delinquent % of \$ (30+ Days)	2.60%	2.49%	4%	2.97%	(12%)	3.89%	(33%)

AHFC Leverage Rates and Combined Spread by Month



ALASKA HOUSING FINANCE CORPORATION

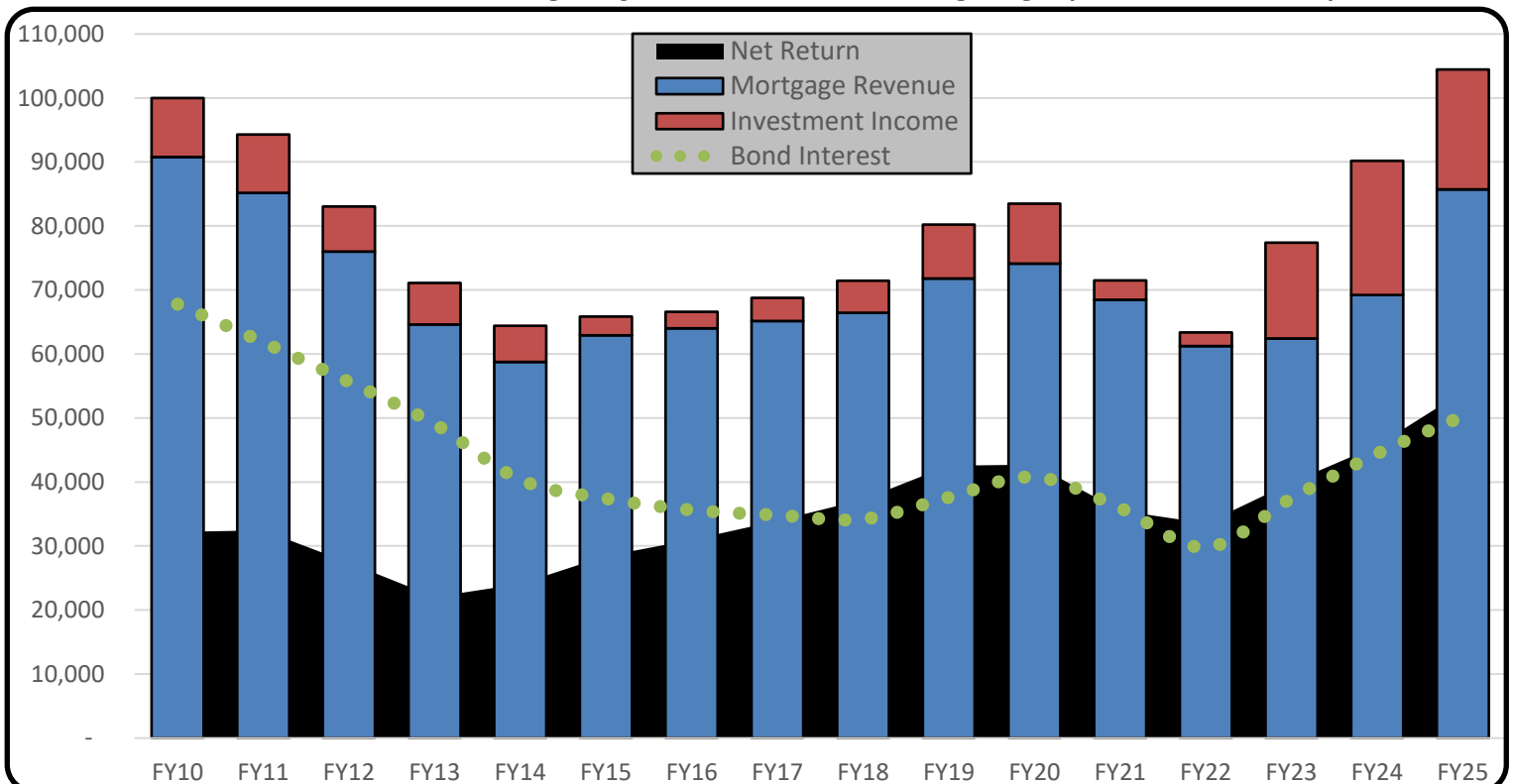
Finance Board Report - March 2025

FINANCIAL STATEMENTS:

(\$ in Thousands)

	Current Quarter	1 Year Ago		2 Years Ago	
	FY25 Q2	FY24 Q2	% Change	FY23 Q2	% Change
Mortgage and Loan Revenue	85,735	69,235	24%	62,426	37%
Grant, Subsidy & Rental Revenue	61,768	46,314	33%	90,978	(32%)
Total Investment Income	18,723	20,926	(11%)	14,967	25%
Other Revenues	994	1,448	(31%)	3,430	(71%)
Total Operating Revenues	167,220	137,923	21%	171,801	(3%)
Bond Interest Expenses	50,304	44,460	13%	37,475	34%
Grant, Subsidy & Rental Expense	57,157	47,898	19%	89,301	(36%)
Operations and Administration	28,421	26,145	9%	24,975	14%
Other Expenses	12,694	10,117	25%	10,578	20%
Total Operating Expenses	148,576	128,620	16%	162,329	(8%)
Total Operating Income	18,644	9,303	100%	9,472	97%
Contributions to State of Alaska	3,012	3,352	(10%)	4,458	(32%)
Change in Net Position	15,632	5,951	163%	5,014	212%
Dividend Contributions & Expenses	16,435	13,109	25%	19,366	(15%)
Adjusted Change in Net Position	32,067	19,060	68%	24,380	32%
Dividend Calculation (75%)	24,050	14,295	68%	18,285	32%
Total Assets w/ Deferred Outflows	4,617,432	4,328,797	7%	4,364,544	6%
Total Liabilities w/ Deferred Inflows	2,948,964	2,694,596	9%	2,760,069	7%
Net Position	1,668,468	1,634,201	2%	1,604,475	4%

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



ALASKA HOUSING FINANCE CORPORATION

Finance Board Report - March 2025

GENERAL MORTGAGE REVENUE BONDS 2025 SERIES A

SOURCES & USES

Description	Total
Par Amount	110,000,000
Premium	2,354,211
AHFC Contribution	787,511
Total Sources	113,141,722
New Qualified Mortgages	112,354,211
Underwriter Discount	587,511
Other Costs Of Issuance	200,000
Total Uses	113,141,722

BOND STATISTICS

Bond Type	Housing Revenue
Interest Type	Fixed
Tax Status	Tax-Exempt
Credit Ratings	AA+/Aaa
Sale Date	02/11/25
Issuance Date	02/20/25
Bond Yield	4.23%
Average Life	18.5
Average Spread	0.80%
Average Takedown	4.70

BOND ORDERS:

Seller	Amount
Jefferies (Senior Manager)	225,220,000
Bank of America (Co-Manager)	47,835,000
RBC (Co-Manager)	37,890,000
Raymond James (Co-Manager)	17,525,000
Ramirez (Co-Manager)	13,000,000
Fidelity (Selling Group)	10,030,000
Wells Fargo (Co-Manager)	9,275,000
JP Morgan (Selling Group)	2,120,000
Morgan Stanley (Selling Group)	865,000
Robert Baird (Selling Group)	700,000
Total Bond Orders	364,460,000

Alaska Retail

1,845,000

LARGEST INVESTORS:

Buyer	Amount
JP Morgan Asset Mgmt	23,460,000
Mackay Shields	23,460,000
Barclays ARB	23,460,000
Vanguard Funds	23,460,000
Capital Research	23,460,000
Invesco-Van Kampen	23,460,000
Segall Bryant & Hamill	15,000,000
Nuveen Asset Mgmt	14,790,000
Wells Fargo Bank	8,370,000
Victory Capital Mgmt	6,000,000
PNC Advisors	5,835,000
Total Largest Investors	190,755,000

STATE CAPITAL PROJECT BONDS 2025 SERIES A (PROJECTED)

SOURCES & USES

Description	Total
Par Amount	141,875,000
Premium	13,380,000
Total Sources	155,255,000
Current SCP/CP Bond Refunding	111,450,000
Capital Expense Reimbursement	18,550,000
Economic Refunding	25,655,000
Underwriter Discount	350,000
Other Costs Of Issuance	250,000
Total Uses	156,255,000

BOND STATISTICS:

Bond Type	General Obligation
Interest Type	Fixed Rate
Tax Status	Tax-Exempt
Credit Ratings	AA+/Aa2
Sale Date	05/13/25
Issuance Date	05/29/25
Final Maturity Date	12/01/38
Bond Yield	3.50%
Average Life	8.5
Average Spread	0.40%
Average Takedown	2.00

SCP BOND HISTORY SINCE 1999:

SCPB I BONDS ISSUED	720,190,000
SCPB II BONDS ISSUED	2,264,410,000

CURRENT SCP BOND PORTFOLIO:

BONDS OUTSTANDING	1,254,035,000
NON-QUALIFIED MORTGAGES	1,457,195,000

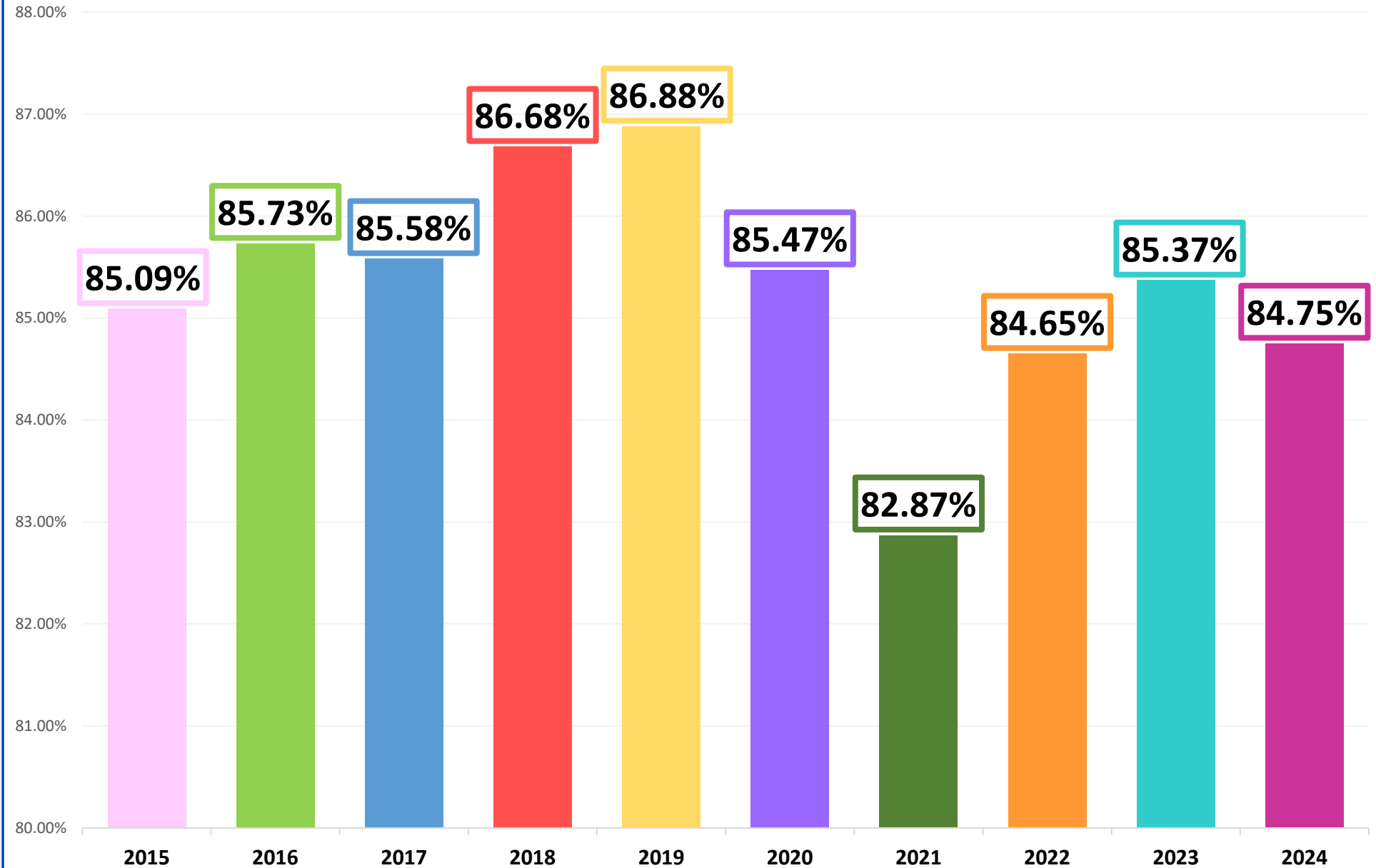
Mortgage Operations

MORTGAGE ACTIVITY SUMMARY LOANS PURCHASED BY PROGRAM

LOAN PROGRAM	February 2025		February 2024		FY 2025 Thru 02/28/2025		FY 2024 Thru 02/29/2024	
	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume
First Home	22	8,041,955	25	8,727,900	277	103,652,453	310	110,146,241
First Home Limited	45	12,649,478	24	6,333,357	359	99,038,565	303	77,729,099
Military Facility Zone	0	0	0	0	0	0	1	302,650
My Home	29	14,385,352	20	7,014,815	365	160,574,927	434	172,340,921
Rural Loan Program	14	5,145,050	11	3,751,947	107	38,589,860	64	20,700,892
Second Mortgage Program	2	635,586	1	210,900	7	1,620,768	2	382,900
Uniquely Alaskan	0	0	0	0	1	156,100	1	236,000
Veterans Mortgage Program	14	6,403,187	18	7,693,564	176	82,526,079	129	55,104,362
Residential Loan Program Totals	126	47,260,608	99	33,732,483	1,292	486,158,752	1,244	436,943,065
Condominium Association Loans	0	0	0	0	1	95,645	2	584,400
Multi-Family AHFC Originated	0	0	0	0	0	0	1	160,000
Multi-Family Lender Originated	0	0	1	584,000	6	5,766,800	5	3,677,500
Multi-Family Special Needs	0	0	0	0	5	4,373,100	3	1,779,350
Multi-Family Loan Program Totals	0	0	1	584,000	12	10,235,545	11	6,201,250
Total Loans Purchased	126	47,260,608	100	34,316,483	1,304	496,394,297	1,255	443,144,315
LOAN PROGRAM OPTIONS (Included in Total Loans Purchased)								
Energy Efficiency Interest Rate Reduction	0	0	6	2,605,096	21	9,351,998	57	22,845,273
Interest Rate Reduction Low Income Borrowers	0	0	1	136,800	12	2,360,638	16	2,833,235
Renovation Options	1	323,000	4	1,087,975	27	9,558,478	34	9,787,933
Streamline Refinances	2	679,449	0	0	3	964,449	0	0

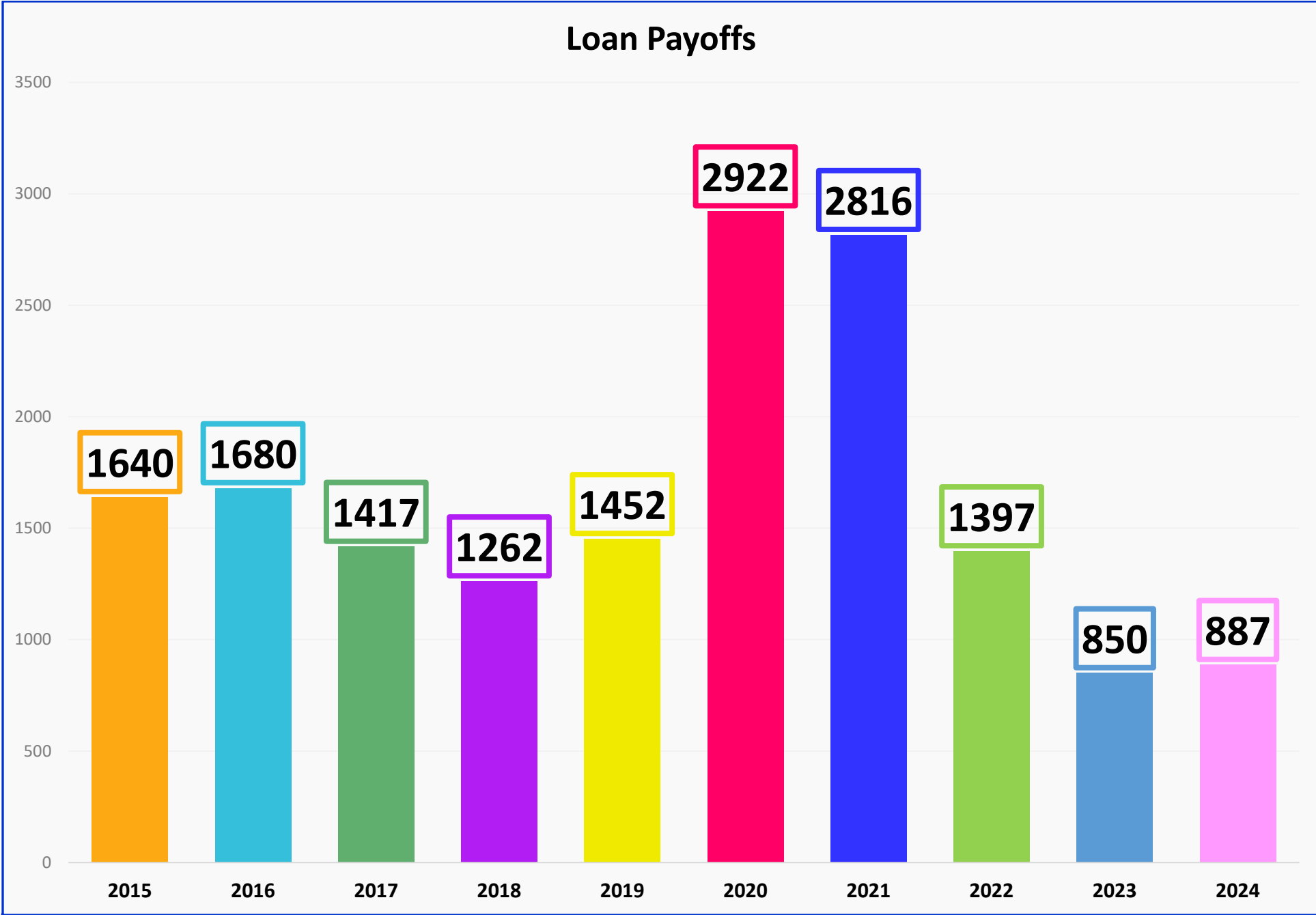
Mortgage Operations

Average LTV @ Origination



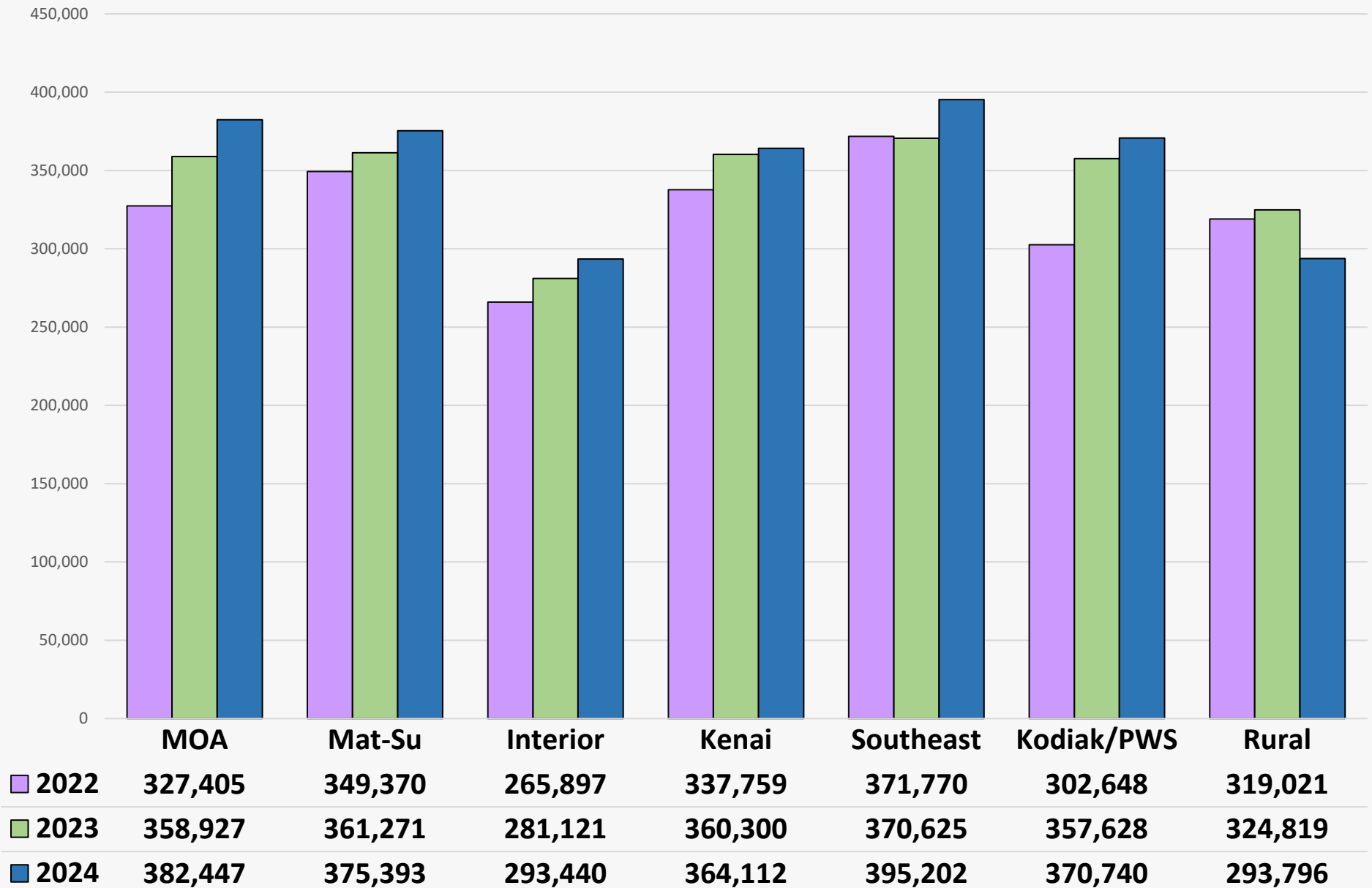
Mortgage Operations

Loan Payoffs



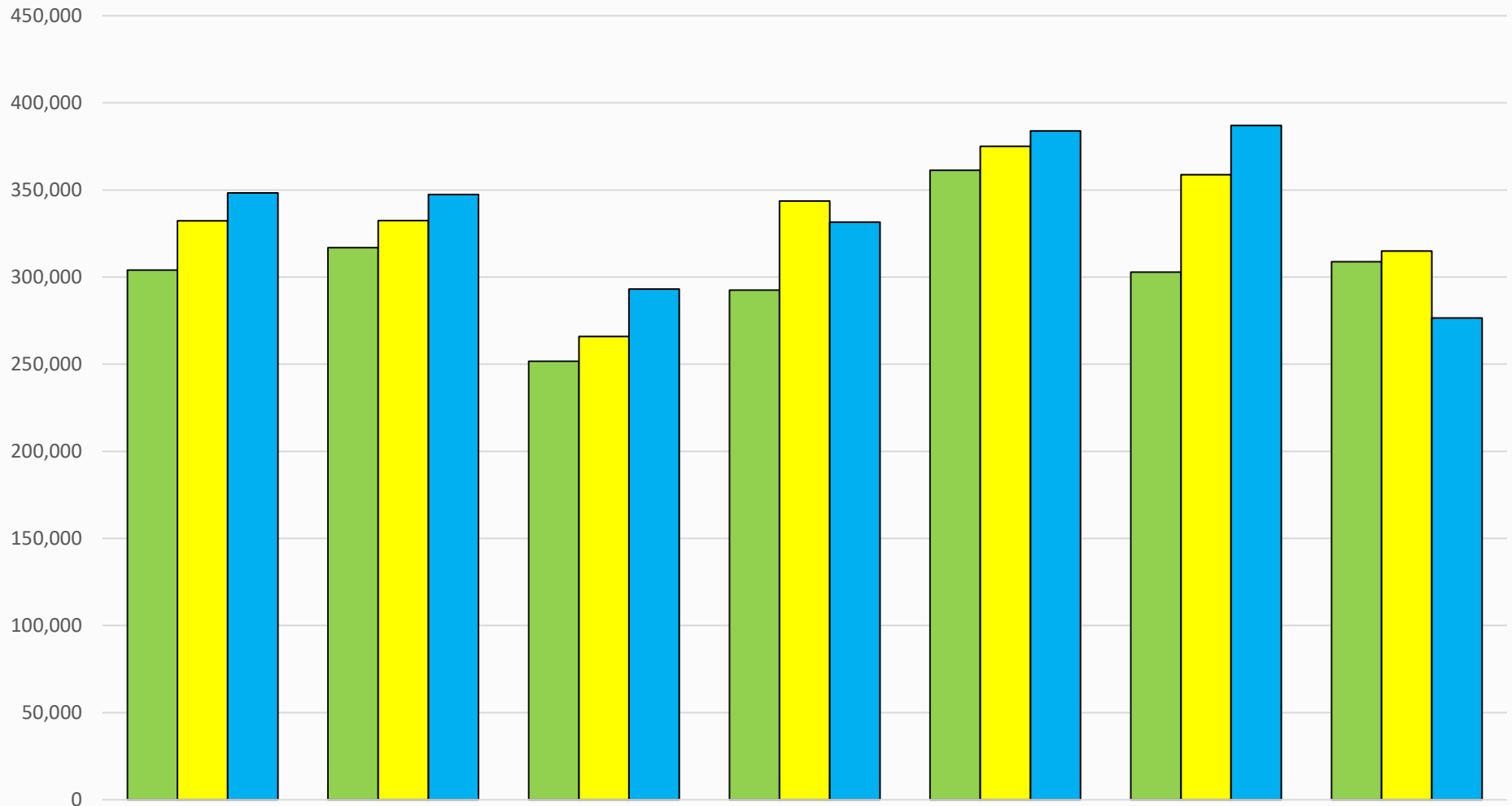
Mortgage Operations

Average Single-Family Loan Amount by Region



Mortgage Operations

Median Single-Family Loan Amount by Region



2022	303,953	316,920	251,750	292,500	361,350	302,875	308,850
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

Public Housing Operations Update

March 2025 Public Housing Waiting List



Operations Updates

- Anchorage housing choice voucher waiting will open for the month of April.
- Finalized purchase of 700 Bragaw facility and hosted a concrete 3D printing event in partnership with X-HAB 3D at that location.
- Added new Sponsor Based Rental Assistance to three developments, including Brewsters in Anchorage with 16 units, Aspen House in Wasilla with 30 units and Borealis Park in Fairbanks with 40 units.

Facilities Management Updates:

- **Anchorage** –Chugach View & Manor backup generators in service. Parkview Manor water heater and boiler room system piping upgrades complete.
- **Wasilla** – Parking lot and head bolt heater repairs phase I complete.
- **Bethel** – Foundation leveling, phase III awarded, H Construction.
- **Cordova** – Sunset View fire system upgrades design phase underway, entry door repair complete.
- **Juneau** – Riverbend HRV Replacement, phase III underway. Fuel Tank Replacement at Riverbend complete. Mountain View Siding and Window Replacement underway. Mountain View and Cedar Park security camera upgrades underway. Geneva woods dumpster/storage shed rebuild underway. Cedar Park and Mountain View underground storage tank replacement.
- **Ketchikan** – Schoenbar Park Siding replacement nearing completion.
- **Kodiak** – Pacific Terrace Siding and Window Replacement nearing completion.
- **Nome** – Beringvue Boiler Replacement Phase I complete. Foundation Leveling underway.
- **Seward** – Waste Line Replacement underway. Glacier View bath fan replacement underway.
- **Sitka** –Swan Lake & Paxton Manor Fuel Tank Replacement complete. Swan Lake and Paxton Manor security camera upgrades awarded.



- **Corporate** – Daniel R. Fauske Building, first floor HR/Receiving renovations complete, Bales Construction. AFIC, 440 Benson, camera replacement underway, Siemens.
- **Statewide** – Lead and Asbestos certification review underway. Lead HVAC technician statewide site visits underway.

Research and Rural Development Department

March 26, 2025 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.

In February 2025, Research and Rural Development brought together more than 130 industry professionals from across the state at the downtown Anchorage Marriott for the annual Energy Efficiency (EE) NOW Training. The EE NOW Training is an opportunity for participants to increase their energy efficiency knowledge as it relates to buildings, obtain continuing education credits required by respective trades, and network with building science professionals over sustainable building practices. Building on the success of last year's EE NOW Training, the 2025 event saw attendance increase by 25 percent. A few local Alaska vendors participated in tabling opportunities and expert building science lecturers traveled from across the country to deliver keynote and work sessions.

The training incorporated four tracks for energy raters, building professionals, code officials, and real estate professionals. Experts presented on topics including best practices for building in cold climates, heat pumps, passive house design and construction, residential building codes, energy conservation codes and the National Association of REALTORS's GREEN Designation.

In addition to the EE NOW Training, a full-day Weatherization Program networking meeting was held for Weatherization Program grantees and contractors along with a half-day Technical Advisory Group (TAG) working meeting required by an AHFC Department of Energy grant titled, "Framework for Responsive Code Development." TAG participants included the Alaska Municipal League and Cold Climate Housing Research Center who presented on research about current building and energy codes adopted across Alaska's local communities. Their research also included a review of how other states without statewide building codes support their local communities in ensuring safe and sustainable residential building construction at the local level.

Lastly, the EE NOW Training provided an opportunity for AHFC authorized energy raters to begin the biannual Methods of Analysis for Residential Structures (MARS) recertification process, which continued throughout the rest of the week concluding with hands-on field training. All participating energy raters were recertified to MARS.



Planning and Program Development

March, 2025

Fast Facts

- Managing 21 Active Housing Programs
- Managing 220 Active Grant Agreements, Tax Credit Awards and Contracts
- Quick Program Updates
 - o GOAL Program - Awards announced to six (6) proposals to build / renovate one hundred forty-one (141) units of affordable rental housing for seniors and families in five (5) communities
 - o Discharge Incentive Grant – Awards announced for three (3) community partners to operate re-entry programs in partnership the Department of Corrections and the Alaska Mental Health Trust Authority

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

- Emergency Shelter: 871
- Transitional Housing: 341
- Prevention Programs: 339 – 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



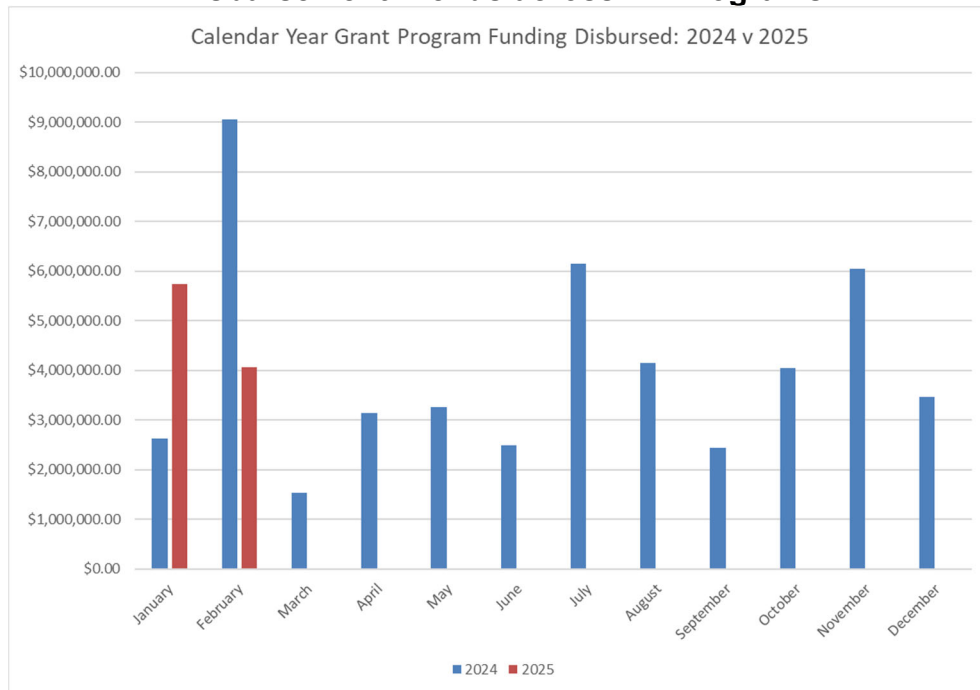
Development Programs Activity

Active Developments by Housing Type	Number of Active Awards Managed	Housing Units Being Built	Total Development Costs
Families	20	427	\$179,751,399.00
Rural Professionals	41	127	\$44,946,946.00
Senior Housing	4	115	\$37,904,569.00
Supportive Housing	5	130	\$42,422,108.00
Grand Total	70	799	\$305,025,022.00

Development Program Notes:

- 49 distinct development partners are currently building in 49 distinct communities
- 37 of 49 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 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
 - o In calendar year 2021, \$225.9M in total funding was disbursed to grantees

AHFC BOARD OF DIRECTORS SCHEDULE 2025

January 29, 2025 (~~ASEC Organizational Meeting & AHFC Regular~~)

February 26, 2025 (~~AHFC Regular~~ - **Cancelled**)

March 26, 2025 – AHFC Regular Board Meeting

April 30, 2025 (Audit Committee, AHCC Annual Board & AHFC Regular)

May 28, 2025 (AHFC Regular)

June 25, 2025 (ASEC Annual Board & AHFC Regular)

July 30, 2025 (Audit Committee, ACAH Annual Board & AHFC Regular)

August 27, 2025 (AHFC Annual Board Meeting- TBD)

(NCSHA Annual Conference 2025 October 4-October 7, New Orleans, LA)

October 22, 2025 (Audit Committee & AHFC Regular)

November 19, 2025 (NTSC Annual Board & AHFC Regular)

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

updated March 19, 2025

