



Rural Professional Housing (RPH) Grant Program

Policies and Procedures

July 10, 2026

For More Information Contact:

Regan Mattingly
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, Alaska 99510-1020
907-330-8235
rmattingly@ahfc.us

Table of Contents

Table of Contents	2
General	3
Overview	3
Funding	4
Definitions	4
Considerations and Priorities	7
Eligibility	8
Types	8
Locations	9
Project Costs and Funding Limitations	10
Period of Performance	12
Site Control	12
Project Design and Configuration	14
Contractor Residential Endorsement and Inspections	14
Pre Application Review Process	15
Application Review Process	16
Intent to Award	20
Grant Agreement	21
Monitoring and Long Term Compliance	26
Additional References and Federal Regulations	27

GENERAL

This manual is a reference guide for the Rural Professional Housing Grant Program administered by the Alaska Housing Finance Corporation. This manual is to be used only as an informational resource regarding policies and standards of performance under this particular grant program. This manual is not inclusive of all considerations and regulations for general grant management practices. Therefore, it is prudent to refer to 15 AAC 154.700 for detailed grant management regulations and procedures.

OVERVIEW

Rural communities face significant challenges in the delivery of education, health care, and public safety services. The lack of these services can have a compounding toll on the community. With a significant number of villages taking steps to correct these deficiencies, critical yet basic services cannot be provided unless housing can be addressed. Providing housing to these professionals allows them to locate in a rural community while also promoting longevity of service. However, if housing is not made available, entities will continue to face poor recruitment, high turnover, and inexperienced staff.

The objective of this program is to provide {local governments, tribal councils, non-profits, school districts, health corporations, native corporations, regional housing authorities, and other various organizations} funding for development of housing units to address recruitment and retention of qualified teachers, health professionals, and public safety personnel in small communities. This program helps to alleviate the housing needs expressed by these professionals through acquisition, rehabilitation or new construction of housing. The end state is available, safe, affordable, sustainable, and quality housing, which will help encourage needed professionals to locate or remain in a small community environment.

Annually, AHFC will announce the availability of funding for the Rural Professional Housing Grant Program through a document titled *Notice of Funding Availability* (NOFA). The NOFA will describe the total amount of funding available, eligibility, required application materials, deadline, and the evaluation and award process.

AHFC may choose to administer the NOFA through an on-line application process. When an on-line application process is used, AHFC will provide public notice of the on-line application process. The notice will provide instructions on registering for the online application system. It is the responsibility of the applicant to register for the system by the time specified in the public notice. Applicants who do not register for the system by the specified time will not receive further consideration for funding under the NOFA.

Applicants who successfully register for AHFC's RHP NOFA on-line application process will receive additional instructions on how to submit an on-line application packet. AHFC may elect to structure the application process with multiple application cycles, including a "pre-application" and an "application" process. AHFC will provide specific instructions on submission requirements and deadlines. It is the responsibility of the application to meet these requirements by the specified

deadline. Failure to meet these requirements will result in the application being deemed “non-responsive” and ineligible for funding consideration.

AHFC may elect to provide training opportunities on the RHP NOFA application process. Participation in these opportunities by an applicant is not a guarantee of funding. AHFC will provide technical assistance to interested applications up to the specified application time. AHFC will provide responses to any questions received on the NOFA up until 3 weeks of the application deadline. AHFC may perform additional NOFA processes throughout the year, depending on the availability of program funding. Any costs incurred by the application in any part of the NOFA process are the sole responsibility of the applicant.

AHFC’s policy is to ensure responsible development of housing. To obtain program funds, a potential grantee must be able to demonstrate a viable proposal and the development team must possess the technical knowledge to ensure proper administration, management and accountability of the project. A separate policy and procedures manual for the RHP grant program is available from AHFC’s website (www.ahfc.us).

By administering State funding to supplement the difference in cost, the gap between a project’s capacity for debt service and the cost to develop, is significantly reduced. However, AHFC will not fund projects that are not feasible, sustainable, nor provide 100% grant funding to any project. AHFC will determine the appropriate amount of RHP program funds to be awarded by conducting an analysis of sources and availability of other funding, the reasonableness of development, operating costs, project cost, and anticipated project cash flow.

FUNDING

The AHFC Rural Professional Housing Grant Program is funded by the State of Alaska General Funds. The amount of funding allocated to the RHP may vary from year to year and are subject to state review and appropriations. Based on the appropriation and any special considerations, the RHP may use general fund dollars and specified set-asides. (For official funding amount, refer to the NOFA that will be released in July of each year.) In addition, AHFC may offer RHP funds in the form of a forgivable grant and/or in the form of a loan if determined that the applicant has sufficient debt capacity to sustain fixed loan payments.

AHFC, at its discretion, may re-designate any portion thereof, to engage in special competitive grant rounds at any time, with select or any participants, which fulfills the mission of AHFC and are consistent with this allocation plan.

DEFINITIONS

“Accessible Unit” – A unit or property that is in compliance with the design requirements for all multi-family properties covered under the Fair Housing Act Amendment of 1989. It generally refers to the egress into a unit and the ability of a person in a wheelchair to maneuver.

“Capital Funds” – Refers to the amount of funding contributed by AHFC for the development (acquisition, rehabilitation or new construction) of the physical structure.

“Development Consultant” – A person or entity that otherwise performs the functions of a developer, but does not share a substantial risk in the project development. Substantial risk in the project development typically includes such items as: serving as a guarantor for construction financing, advancing funds for soft costs (i.e. market studies, etc.), and recognizing development fees are a “contingency of last resort” to maintain project viability.

“Developer Fee” – Includes all administrative costs paid by the project sponsor to organize and facilitate the development of the proposed project. These include staff salaries, administrative overhead, travel expenses, profit, etc.

“Development Hard Costs” – Defined as the actual construction or rehabilitation costs of the housing project.

“Development Pro Forma” – A listing of all of the costs associated with the development of a project and the sources of funds used to pay for the development.

“Development Team” – Composition of contributing members that form a team, who each will be responsible for specific tasks, involved with the project in planning, execution, at completion, or throughout the process.

“Equipped Unit” – All the requirements of an accessible unit have been satisfied plus the unit is equipped with grab bars, adjustable cabinets, roll-under counters, bathrooms with roll-in or seated shower stalls or tubs, and other applicable equipment for persons with hearing or vision disabilities.

“Fair Housing” – Prohibition against discrimination in any activity relating to the rental of dwellings.

“General Requirements” – Overhead costs solely related to the construction of the specific project, i.e. backhoe or other equipment rentals, mobilization costs, payment and performance bonds, contractor paid project fees, and is limited to 10% of the hard construction costs.

“Health Professional Housing” – Housing for any person who is licensed or board certified by the State of Alaska in a health profession; holds a state certification in a health occupation; or is an administrator of a hospital or clinic, or employed as an aide, attendant, assistant, counselor or technician in a health field. Occupancy of the household is limited to health professionals and family members.

“Leverage” – Sources of funds outside of the RHP program used for project development. Leverage includes contributions such as: debt instruments, donated labor “sweat equity”, foregone taxes, donated land and / or building(s).

“Minimum Required Property Standards” – A reference to all applicable codes to include but not limited to: Local building, State Building Code and Energy Efficiency Standards.

“Non-Responsive Bidder” – Any applicant who has failed to perform or is partnered with a person or organization who has failed to perform any previous grant or contract with AHFC; who has previously failed to perform properly or to complete on time contracts of a similar nature; who qualifies or changes terms and conditions of the Notice of Funding Availability (NOFA), applicable restrictive covenants or loans in such a manner that is not responsive to the purpose sought by AHFC in issuing the NOFA, covenants or loans; who submits an application that contains faulty specifications or insufficient information that, in the opinion of AHFC, makes an application non-responsive to the NOFA; who submits a late application; who has not signed the application; who is not in a position to perform the work proposed in the application; who habitually and without just cause neglected the payment of bills or otherwise disregarded its obligations to subcontractors, material suppliers, or employees; who has shown a consistent practice of non-compliance with State and federal rules that govern housing development programs; who has unpaid taxes due to the State of Alaska or the U.S. government; where there is a conflict of interest with the applicant and board member or employee of AHFC; or when AHFC determines that the application is not in AHFC’s best interest.

“Operating Reserve” – An amount of money included as part of the development budget to be used as a cushion against unforeseen changes in operating expenses and income for a project in future years.

“Period of Performance” – The timeframe noted in a grant agreement, as deemed necessary for a recipient of Rural Professional Housing Grant Program funds to begin and complete construction activities and provide close-out documentation to AHFC for approval.

“Public Safety Housing” – Housing for public safety personnel employed by the State of Alaska or an instrumentality, federal government or municipal/tribal government. Public safety is defined as carrying the primary responsibility of protecting members of the public. This may include, but is not limited to, public safety officers, state troopers, village public safety officers, wildlife enforcement officers, correction and probation officers, fire safety and emergency personnel, Federal Bureau of Investigations personnel, homeland security personnel, Transportation Safety Administration personnel, and U.S. Customs and Immigration personnel. Occupancy of the housing is limited to public safety personnel and family members.

“Replacement Reserve” – A reserve for capital replacement. It is an amount of money used to pay for major capital expenses that occur during the life of the project, such as boiler replacement, roof repairs, appliance replacement, etc.

“Residential Property” – Per AS 19.56.390.11, a dwelling unit primarily to provide dwelling accommodations without limitation as to form a lawful occupancy, such as through a lease with the qualified tenant for 30 days or more. Furthermore, the structure must have a permanent, fixed foundation. Usage of the residential property that resembles short term stays would be considered hotel or commercial activity and is not authorized under this program.

“Small Community” – A community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks and at least fifty (50) statute miles outside of Anchorage or twenty-five (25) statute miles outside of Fairbanks. In this definition, “a connected road” does not include a

connection by the Alaska Marine Highway System or roads outside the boundary of the State of Alaska (Appendix I).

“Teacher Housing” – Housing for teachers, other educators and (or other) staff employed by the public school district, public vocational education institution and public university in which the housing unit is physically located, under terms agreed upon by the eligible (school district) educational institution. Occupancy of the housing is limited to teachers, other educators, (and or district) staff and family members.

“Unit” – A self-contained dwelling configured with sleeping quarters, sanitation and kitchen facilities within the dwelling, or, partial or shared facilities located within the unit.

CONSIDERATIONS and PRIORITIES

At the end of this Application process, AHFC expects that the proposals submitted are final and that an awardee would be able to initiate the development activities soon after the grant agreement is executed. Requests for changes to the development timeline/development plans that are unreasonable or affect the rating order, as determined by AHFC, may result in the termination of the award or postponed until the next iteration of the program. In addition, failure to comply with the RHP Program Policies and Procedures may result in fees, negative points for the next application, debarment from the program, or termination of the grant agreement. Please refer to the RHP Program Policies and Procedures to ensure the requirements of this program are being satisfied until the grant is closed. State of Alaska priorities include projects that:

1. Increase housing availability for teachers, health and public safety personnel;
2. Increase resiliency, disaster preparedness and sustainability of the community;
3. Meet specific market criteria as defined by AHFC;
4. Are developed by applicants/sponsors who demonstrate greatest capacity to carry out the project;
5. Maximize the use of RHP program funds by requesting only the necessary amount of grant funding to make the project financially feasible (from both a developmental and operational viewpoint);
6. Leverage RHP program funds with other funding sources, including those which qualify as “match”;
7. Maximize accuracy of budget line items;
8. Maximize energy efficiency of the project;
9. Are located in “small communities” as defined by the State of Alaska; and
10. Provide meaningful training and employment opportunities for Alaskans.

AHFC will award points in the rating process to projects that address these priorities as well as specific criteria as outlined in this Rating Criteria and Award Plan.

ELIGIBILITY

This program is open to the following entities:

1. School District (including Regional Attendance Area School Districts REAA)
2. 501(c)(3) or (4) nonprofit corporation
3. Local government (village, municipality, borough, city)
4. Regional Housing Authority
5. Public Vocational Education Institution
6. Public University
7. Health Organization (Regional Health Corporations, Tribal Health Clinics)
8. Regional Native nonprofit corporation

Interested applicants must be able to provide evidence of incorporation, DUNS, EIN/TIN, and/or business licenses (as applicable).

Eligible tribal governments that qualify for Sovereign Immunity will be required to sign a **Resolution for Waiver of Sovereign Immunity** as a condition of receiving funding under the Rural Professional Housing Grant Program. A Waiver of Sovereign Immunity applies only to the grant agreement and is not a concession that a council or village lacks sovereignty. The waiver preserves the State's ability to enforce the terms of the grant agreement, just as the council or village has the right to enforce the grant agreement despite the State's sovereign immunity, which it has waived by statute.

The use of the funding from this program to refinance existing debt, conduct infrastructure development which is beyond the legal boundary of the subject property, and any fees or costs determined by AHFC, to be over a reasonable and customary charge will not be authorized. Other items may not be eligible which are not included here. Applicants should consult with AHFC to determine if items not mentioned are eligible or not.

TYPES

Residential rental housing projects acquired, renovated or constructed for teachers, health professionals, and public safety personnel in Alaska are the only eligible projects.

*Residential rental housing per this program is defined as a dwelling which houses teachers, health professionals, and / or public safety personnel and their family members through lease agreement for a period of 30 days or longer. Projects developed using RHP funds will not be used for transient housing or repurposed into anything other than living quarters for a qualified individual or family.

1. **Teacher** housing is typically requested by educational organization. If the project is for School District Teacher Housing, but not sponsored by a School District, a letter from the superintendent of the School District and a resolution from the local governing body, demonstrating support, must also accompany the application.

2. **Health Professional** housing can be requested by Regional Health Corporations, Native Health clinics, nonprofits with health related capabilities/assets, tribe sponsored entities responsible for health services, and local governments.
3. **Public Safety** can be requested by 501(c)(3) or (4) nonprofit corporation, Local government (village, municipality, borough, city), Regional Housing Authority and any other entity whose mandate is to provide safety to the community.
4. **Village Public Safety Officer** housing is dedicated housing for VPSO personnel. Applicants requesting VPSO housing funds must provide evidence that there is a VPSO in their community. In communities that do not currently have a VPSO, the applicant must provide evidence that their tribal organization, nonprofit, or local government has applied to the State of Alaska Department of Public Safety for VPSO-position funding in their community. Any applicant with a proposed or dedicated VPSO and declares the development as such must maintain at least one unit of the development for VPSO use.
5. **Combined** housing is any combination of the above provided that a signed agreement is produced between all interested parties involved.

LOCATIONS

Project proposals must be located in a community that meets the State of Alaska's definition for "Small Community". A list can be found at AHFC's website (<https://www.ahfc.us/pros/homelessness/development-grants/RHP>). A "Small Community" is defined per AS 18.56.400 – 18.56.600 as:

Having 6,500 residents or fewer and being unconnected by road or rail to Anchorage or Fairbanks. Having 1,600 residents or fewer, connected by road or rail to Anchorage or Fairbanks, and at least 50 statute miles outside of Anchorage or 25 statute miles outside of Fairbanks

"Connected by road" does not include a connection by the Alaska Marine Highway System or roads outside the boundary of the State of Alaska.

Acquisition of vacant land may be undertaken only with respect to the construction or reconstruction of a particular housing project. Funds provided through this grant may not be used for acquisition of vacant land or for predevelopment purposes (such as design) unless undertaken with respect to completion of the development process resulting in occupant ready housing units. Acquisition costs must be supported by an appraisal. Land or building acquisition costs over the appraised value will not be eligible.

Applicants must demonstrate that the sponsor possesses Site Control through Deed, Purchase Contract, Option to Purchase (deed required if awarded), or Long Term Lease. Also of consideration is the legal description for the land. Programmatic restrictions or legal liability may warrant a replat if other structures currently or eventually will reside on the same property as described by the legal description.

AHFC will fund rehabilitation activities, in one community, provided that the activities undertaken do not exceed 75% of the pre-rehabilitation value of the properties. For all rehabilitation proposals,

a Capital Needs Assessment performed by a certified engineer may be required during the application process to determine viability of the rehabilitation proposal. Additionally, if rehabilitation activities exceed 75% of the pre-rehabilitation value or substantially alters the foundation, electrical, or load bearing components, the structure would be subject to a Summary of Building Inspection (PUR-102).

The period of performance for projects funded under this program shall not exceed three (3) years unless AHFC determines exceptional circumstances exist to warrant a longer period of performance. For projects with a Period of Performance in excess of three (3) years, AHFC may elect to not fund the project under the current Notice of Funding Availability but reserve funding for the project in next year's competition round.

PROJECT COSTS and FUNDING LIMITATIONS

The following limitations shall apply in determining how much of the project cost AHFC will consider for grant funding. These cost limits shall not be exceeded unless substantive evidence, acceptable to AHFC, is supplied by the applicant to justify higher cost limitations.

The maximum fee/overhead must be calculated against the total development cost of the project, net any payments to the developer or related parties. Construction management services performed by a party related to the developer and / or applicant are considered development overhead charges and must be included in the maximum allowed developer fee.

Development Type	Maximum Gross Developer Fee	Maximum Development Consultant Fee	Maximum Contractor Contingency	Maximum Gross Contractor Fee/ Overhead	General Requirements
New Construction	15%	5%	5% of hard construction costs	10%	10%
Acquisition with Rehabilitation or Rehabilitation Only	5% of Acquisition Costs and 15% of Rehabilitation Cost	5%	10% of hard construction costs	10% of Rehabilitation Cost	10% of Rehabilitation Cost
Acquisition Only	5% of Acquisition Cost	5%	0%	0%	0%

1. Consultant Fees and Cost of Intermediaries (payments) that are made to consultants or other intermediaries who are performing tasks normally performed by a developer, are considered development overhead charges and must be included in the maximum 15% allowable for the developer fee and overhead.

2. Developer or General Contractor Fees and Costs may not exceed the amounts specified in the table. Where an identity of interest exists between the developer, contractor, consultants or any other party to the development, the maximum developer and/or contractor fee may be further reduced to an amount determined to be appropriate by AHFC. AHFC may also reduce any fee that, in AHFC's opinion, is higher than is justified for the project. Exceptions will be considered only if significant evidence is provided which suggests that the project is of a nature that warrants such higher fees.
3. The maximum Developer Fee must be calculated against the Total Development Cost of the project, net any payments to the developer or related parties. To be eligible for the Developer Fee, applicant must provide evidence that the eligible entity is engaging in the role of the Developer and incurring substantial risk in the project development. Examples of substantial risk in the project development include, but are not limited to: 1) Serving as a guarantor for construction financing; 2) Advancing funds for soft costs (i.e. market studies, architectural fees, etc.); and, 3) Recognizing development fees are a "contingency of last resort" to maintain project viability.
4. The maximum Consulting Fee must be calculated against the Total Development Cost of the project, net any payments to the developer or related parties. A Development Consultant is an entity that engages in the role of Developer but does not meet AHFC's threshold for substantial risk in project development.
5. The maximum Contractor Contingency, General Requirements, and Overhead are calculated against Total Development (Project) Cost.
6. The maximum fee that a Developer may receive, who is not incurring substantial risk in developing the applicant's proposed project, would be considered as a Development Consultant.
7. Architectural and Engineering Fees should not exceed 7% of the Total Development Cost unless determined justifiable by AHFC.
8. Disbursement of grant funding paid out will be dependent on the reported expense.
 - a. Unless waived, AHFC will disburse no more than 25% of a grant's developer fee, contractor fee, or construction contingency at any given time. Disbursements of developer fee, contractor fee or construction contingency are based on the percentage of work completed at the time the request for funds is made.
 - b. Developer Fee and Contractor Fee must be paid equitably out of grant funds and other funds. The total amount of developer fee, contractor fee and construction contingency that can be paid out of grant funds is based on what percentage of the total project cost is funded through grant funding (AHFC).
 - c. Unless waived, AHFC will retain an amount equal to fifty percent (50%) of any developer fees identified in a grant award, to be awarded upon successful completion of the project development activity.
 - d. AHFC will hold 10% of the grant amount as a retainage until the project is complete and in closeout for the grant.

Operating Reserves

Operating reserves that are funded with proceeds from this grant program are limited to an amount up to one year of the projects' total operating expenses, not including replacement reserves. This

limitation may be waived at AHFC's discretion if it is considered to be in the best interest of the project or the Rural Professional Housing Grant Program.

Total Development Cost Limits / Project Cost Standards (PCS)

Each cycle, tables will be available in the Notice of Funding Availability and Rating Criteria that shows the median cost per unit and by square foot. Projects involving acquisition and rehabilitation will be scored using 75% of the project cost standard for the project area.

Hard construction costs, soft costs, financing fee, legal and accounting fees, acquisition costs of land for the specific project, architectural and engineering fees, developer fees, consulting fees, rent-up reserves, and other reasonable expenses related to the development of the housing proposed.

Acquisition of vacant land may be undertaken only with respect to the construction or reconstruction of a particular housing project. Funds provided through this grant may not be used for acquisition of vacant land or for predevelopment purposes (such as design) unless undertaken with respect to completion of the development process within two years. Acquisition costs must be supported by an appraisal. Land or building acquisition costs over the appraised value will not be eligible.

PERIOD OF PERFORMANCE

The period of performance for projects funded under this program shall not exceed three (3) years unless AHFC determines exceptional circumstances exist to warrant a longer period of performance. For projects with a Period of Performance in excess of three (3) years, AHFC may elect to not fund the project under the current Notice of Funding Availability but reserve funding for the project in next year's Notice of Funding Availability.

All development activity shall be conducted within the Period of Performance. The development shall be complete on or before the last day of the approved period. The only activity to occur outside of this period will be activities associated with the grant close out process. Expenditures that occur outside of this period, before or after, relating to the planning and construction of the project may be reimbursed, pending AHFC approval.

SITE CONTROL

Housing acquired, developed, or rehabilitated under the Rural Professional Housing Grant Program must be owned or secured through a lease by a School District (including Regional Attendance Area School Districts - REAA), 501(c)(3) or (4) Non Profit Corporation, Municipalities (including tribal governments), Regional Housing Authorities, Public Vocational Education Institution, Public University, or Regional Health Corporation.

Site control needs to be established at the time of the application deadline through deed or lease and AHFC will ask for photographs of the build site. Other questions should be asked and assessed before committing to any plot of land:

1. Does the property lie within a Flood Plane?
2. Are the nearby Hazards identified?
3. Are there alternative build sites?
4. Are there any known obstacles or impediments on the surface or subsurface?
5. Are there existing easements or restrictions on the land?
6. Does the project have its own lot number and unique legal description?

AHFC will also need to verify these critical points if awarded:

1. Clean Title
2. Plat drawing identifying the proposed lot and surrounding if surveyed
3. Contaminants and potentially hazardous materials disclosed
4. Site control document that includes the Legal Description of the property and any conditions or restrictions (deed, quitclaim, lease, etc...)

The term of a ground lease is dependent on each Grantee and their obligation to lenders. If no loans are secured and the match is settled solely by the grantee, then the minimum term of a ground lease shall be a minimum of 15 years from the development completion date. If a lien exists on the property due to a loan/mortgage, the minimum term of a ground lease shall be the length of the loan plus 5 years from the development completion date.

For example: Grantee secures a 30 year loan from a private financial institution to settle the match over 30 years. The term of the ground lease must be 35 years (30 years for the loan plus 5 years) from the development completion date.

Site Control must not include language that would “revert” the property or restrict encumbrances, liens, or subleasing.

Deed Restrictions

Applicants awarded funds will be required to execute a Covenant that limits the use of the property for a 10 year period to purposes set forth in the grant agreement. A Deed of Trust and Promissory Note for the amount of the grant will also be required. The Note will be completely forgiven upon completion of the 10 year rent-up period if the property is used in accordance with grant requirements. If the applicant discontinues use of the property for during the 10 year rent-up period, AHFC may foreclose on the property under the Deed of Trust and recover grant funding as set out in the Note. The Grantee will not be personally liable under the Note and AHFC’s only recourse for recovery of grant funds will be against the property. Conformed copies will be accepted as pre-disbursement documents; however, the original signed documents will need to be returned to AHFC for retention.

Projects proposed that will be built on a lot with existing structures may possibly require a re-plat. Although AFHC can limit the Declaration of Covenants, Conditions, and Restrictions to just the structure built, the Deed of Trust for the property would encompass the entire property, as described by the legal description.

PROJECT DESIGN and CONFIGURATION

Certain design/characteristics are standards which have been integrated into the Rating and Award Criteria as threshold requirements. These requirements are:

1. All new construction projects must be in compliance with 15 AAC 154.030 construction and thermal standards.
2. New construction must meet a minimum of 5 star rating according to a Building's Energy Efficiency Standards or an International Energy Conservation Code certification to the year the foundation was completed.
3. Energy Star appliances.
4. Housing may be apartments, townhouse, condominium or single family dwelling style. Modular built housing is permissible, if it meets all building and energy codes required by state and local jurisdictions.
5. Triplex and larger will be required to meet Fair Housing Minimum Accessibility Standards.

Hazardous Materials

Unknown hazardous materials that are known to be either on or below the surface of the development site, or, within the existing structure, must be addressed appropriately and properly according to State guidelines.

Hazardous materials/waste must be properly removed, treated, or remediated based on the contamination/hazard per Department of Environmental Conservation regulations and requirements. It is the grantee's responsibility to plan, if known, and ensure proper and lawful handling of asbestos, lead based paints, sewage, combustibles, or any other environmentally or health harming substance beneath or on the surface of the site, or, within the structure being rehabilitated.

Projects that involve federal funding may be required to complete an Environmental Review.

CONTRACTOR RESIDENTIAL ENDORSEMENT and INSPECTIONS

Housing that is constructed or rehabilitated must be done so by a licensed individual/company that holds a Residential Endorsement and can meet minimum property standards as defined in the definitions section.

Rehabilitation projects that do not exceed 75% of the appraised pre-development property value will not need to undergo a Summary of Building Inspection (PUR-102). However, if the total rehabilitation cost exceeds 75%, an inspection is required. Substantial rehabilitation of the foundation, electrical, and load bearing components would warrant the inspection, regardless of the rehabilitation costs.

Required inspections for new construction include a Summary of Building Inspection (PUR-102) and a Building Energy Efficiency Standard (BEES PUR-101). The PUR-102 should be completed at various stages by any of the following:

1. An engineer, licensed under AS 08.48 who was not employed as the engineer for the project, or a member of the firm that was working on the project;
2. An architect, licensed under AS 08.48 who was not employed as the architect for the project, or a member of the firm that was working on the project;
3. An International Construction Code (ICC) certified inspector for “commercial” construction;
4. A “New Home or Joint Registration” inspector licensed under AS 08.18 is eligible to sign PUR-102 forms for properties that are 1-4 units only;
5. An International Construction Code (ICC) certified inspector for “residential” construction (1-2 units).

All new construction is required to meet BEES (Prescriptive Method) following the standards set for the year the foundation was completed. If a commitment was made to achieve a higher BEES rating in exchange for points, new construction or rehabilitation, the AkWarm method will need to be used. Other methods used will include a Performance Method and Building Budget Method.

Inspectors must not be a member of the project team responsible for constructing the housing unit(s) or an employee of the organizations making up the development team. A non-interested party will be utilized for an inspection, whose sole purpose is to carry out inspections and is not involved with any other role for the project.

PRE-APPLICATION REVIEW PROCESS

Annually, AHFC may elect to include a Pre-Application stage which addresses key programmatic policies. If a Pre-Application is used, applicants must be able to provide the following material and all other support materials required under the application process, unless otherwise approved in writing by AHFC:

1. Completed application forms and all applicable certifications;
2. Submission of all required application material;
3. Payment of all applicable fees related to the application process;
4. Sufficient support information and data; and
5. Applicant is responsive, completes all required documentation, and responds to requests for information.

During this process, AHFC will evaluate each applicant’s proposal to determine whether or not a project proposal should be invited forward into the full competition.

AHFC will be assessing the following to determine feasibility and need:

1. Market Conditions that generates sufficient demand or need for the project
2. To better determine if financial, design, or funding changes need to be made
3. To identify if a proposal can be executed with current funding and experience mix

4. To determine if the development team will satisfy the capacity requirements for funding awarded through the NOFA.

Required, unless waived by AHFC, prerequisite experience level of the development team must consist of:

1. A minimum of 3 years or 3 separate projects in property/housing development
2. A minimum of 2 years or 2 separate projects in grant management
3. A minimum of 1 year in property management

Threshold

To be considered for RHP funding, all project proposals must meet the following minimum requirements:

1. Development team must possess the required minimum experience threshold and be in good standing.
2. Location of the proposed project must be within a “small community”.
3. The housing must be for use by teachers/educators, health or public safety personnel.
4. The housing units developed must be “residential” housing.
5. Per unit costs should be within the acceptable ranges, unless determined to be acceptable by AHFC and support documentation must be provided to substantiate the costs.
6. A match of at least 15% of the Total Development Cost is required. Matching funds may be comprised of cash, in-kind, land, financing, or other funding sources.
7. Completion of the project will be within 3 years of the award date and the start date is within 1 year of the award.

APPLICATION REVIEW PROCESS

During this process, AHFC will review only applications submitted by the deadline for completeness. Failure to submit the application in its entirety may result in the application being denied for any further review.

All Applications will be submitted online. AHFC may require the use of forms and worksheets (created by AHFC) to be completed and submitted. The requirement may be changed at the discretion of the Program Manager. In this threshold review process, any application that is not submitted by the application deadline, or is incomplete at the time of submission, or violates programmatic policies shall be considered non-responsive and will be rejected.

Correctable vs. Non-Correctable Items

If an application is submitted but items are deemed insufficient, AHFC will determine if the insufficient items are correctable or not. Correctable items are items that can be provided without having an impact on the potential rating of the proposal. Non-Correctable items are items that if provided, could have an impact on the potential rating of the application. Support documentation for point categories are Non-Correctable items. Board Resolutions, Evidence of Incorporation, or Zoning documents are examples of correctable items.

Threshold

Applicant must support their answers by providing evidence that supports the following:

1. A resolution of the applicant's governing body authorizing the request for grant funds under the NOFA or if the applicant is a municipality, the signature of a municipal official with authority to apply for the grant. If the applicant is not the school district and the applicant is proposing teacher housing, a letter from the school district chief executive officer or board president, supporting the application, must be submitted as well.
2. Evidence of legal organizational status is required, i.e., non-profit designation letter from the Internal Revenue Service (non-profits, school districts, and municipalities) or Certificate of Incorporation issued by the Department of Commerce.
3. Evidence of site control at the time of application needs to be furnished. A legal description must be provided for the actual plat on which the property is to be developed. The site control agreement may be conditional upon the award of AHFC grant funding; however, this condition may not terminate the site control agreement until at least 60 days after the Notice of Intent to Award, usually published at the end of each calendar year. If the proposal submitted involves multiple project sites, the applicant must provide site control evidence for each piece of property that will be utilized or improved. Changes must be submitted in writing to AHFC and must not be altered until receiving written approval from AHFC.

Examples of acceptable forms of site control are:

- a. Current deed (warranty deed, quitclaim deed, etc...);
 - b. Executed earnest money agreement;
 - c. Lease agreement;
 - d. Option to purchase;
 - e. Other similar legally binding document meeting the site control requirements of the above paragraph.
4. Evidence of acceptable Zoning, or if not currently zoned, a plan on how the appropriate zoning will be obtained including a timeframe for petition for a zoning change. If no zoning exists within the municipality, a certified statement by the applicant indicating that no zoning exists.
 5. Reasonableness of the project's development and operational data will be assessed based on the extent that application materials and project performance data available to AHFC, support the project's developmental and operational numbers provided in the RHP pre-application. Key points that AHFC will look for in the application materials to make this assessment will include:
 - a. Are cost estimates supported by a credible third-party bid(s) and/or estimate(s)?
 - Examples include bids and/or cost estimates supplied by an architect, appraiser, materials supplier, etc.
 - b. Have all funding sources been confirmed and / or substantiated by written documentation? In assessing this item, AHFC will consider the following:

- Whether written lending commitments have been provided;
 - Whether other grants have been secured;
 - Cash and other in-kind is appraised or documented; and
 - Whether letters of interest from other proposed funding sources have been provided.
6. Project schedule and written development narrative demonstrate a clear understanding on the part of the applicant for successful housing development in the proposed market. Development concepts, design, logistics, costs, capability, and capacity are understood so that the project can be successfully implemented within the proposed timeframe.
 7. Evidence to support the project development cost estimates. Acceptable forms of evidence may be contractor bids, appraisals and construction cost estimates.
 8. Mixed-Type housing agreement between parties involved (if applicable).
 9. Any additional documentation needed to substantiate the award points under the Rating Criteria.

Applications will be evaluated according to the rating criteria to determine the ranking and award.

The CEO may use consideration other than the point ranking to make the final funding awards. These considerations are:

1. Minimum levels of funding necessary, in AHFC's opinion, to result in a financially -feasible project, including a recommendation of no funding if sufficient debt can be supported.
2. Maximum legal and AHFC annual programmatic funding limits;
3. Distribution of RHP funds in a manner to maximize the number of financially feasible projects which receive funding;
4. Increasing the spread of projects by geographic location;
5. A different amount of RHP program funds for a project than requested by the applicant may be recommended in order to satisfy the requirements of award review assumptions made by AHFC in the feasibility review.
6. "Responsible Bidder" AHFC reserves the right to reject or assess negative points to any grant application or request for funding from any applicant who has failed to perform or is partnered with a person or organization which:
 - a. Failed to perform any previous grant or contract with AHFC, or has previously failed to perform properly or to complete on time contracts of a similar nature;
 - b. Qualifies or changes terms and conditions of the Notice of Funding
 - c. Availability (NOFA), applicable restrictive covenants or loans in such a manner that is not responsive to the purpose sought by AHFC in issuing the NOFA, covenants or loans;
 - d. Submits an application that contains faulty specifications or insufficient information that, in the opinion of AHFC, makes an application non-responsive to the NOFA;
 - e. Submits a late application;
 - f. Has not signed the application;
 - g. Is not in a position to perform the work proposed in the application;

- h. Habitually and without just cause neglected the payment of bills or otherwise disregarded its obligations to subcontractors, material suppliers, or employees;
 - i. Has shown a consistent practice of non-compliance with State and federal rules that govern housing development programs;
 - j. Who has unpaid taxes due to the State of Alaska or the U.S. government;
 - k. Has a conflict of interest with the applicant and board member or employee of AHFC;
 - l. AHFC determines that the application is not in AHFC's best interest.
7. AHFC reserves the right to reject any grant application or request for funding from any applicant: who has failed to perform or is partnered with a person or organization who has failed to perform any previous grant or contract with AHFC; who has previously failed to perform properly or to complete on time contracts of a similar nature; or has otherwise been designated by AHFC to be a non-responsible entity.
8. In cases where the funding decision approved by AHFC's Executive Director/Chief Executive officer varies from that requested by the applicant, the applicant will be given notice of AHFC's intent to award the alternative funding reservation and/or award, and will be allowed to accept or reject the offered funding package. If the applicant rejects the funding package offered, no additional consideration will be given to the applicant during the funding cycle, and the declined RHP program funds may be offered to another qualifying applicant(s). An applicant may have the right to appeal this decision under 15 AAC 151.830 and 15 AAC 150.220.

Underwriting

An application that meets AHFC's threshold review will then be subjected to a feasibility analysis. The feasibility analysis consists of the following:

Analysis of Proposed Rents (Rental Development Projects) will be conducted to determine cash flow and affordability. Rents that vary significantly from the HUD Fair Market Rent must be supported by third-party evidence. Third-party evidence includes a market study, Census data, or a salary survey of the prospective occupants of the housing. If this data is not provided, AHFC may make adjustments to the applicants proposed rents.

Development costs will be compared and analyzed. AHFC will use HUD NAHASDA Per-Unit Cost Limits as a base for maximum project development costs. AHFC will also use other sources to analyze project cost, including historical information on AHFC-funded/non-funded projects, appraisals, and U.S. Census Data. In the event that a funded project's cost exceeds what AHFC deems appropriate, AHFC will request that the project sponsor reduce the cost of the project. Recommended cost measures include removing square footage, changing project configuration, and removing amenities. If a sponsor does not respond to AHFC's request to reduce costs, AHFC may elect to revoke RHP funding.

The project development budget will be reviewed to ensure that fees are within limits of AHFC Rules. Fees that appear in excess of limits, based on construction types, may be adjusted downward.

AHFC will make a recommendation on grant funding needed by the project based on the results of the feasibility analysis. For rental development projects, this will be determined by subtracting the project's maximum sustainable debt capacity and applicant cash contributions from the total development cost of the project.

Applicant's development budget will be reviewed for completeness. Items omitted from the budget that AHFC determines are necessary for project development, may be added based on reasonable expectations of their cost to the project.

AHFC will determine the maximum amount of debt the project can carry based on the project's net operating income. Projects with negative net-operating income will not be recommended for funding.

Applicant's operating budget will be reviewed for completeness and accuracy. Items omitted from the budget that AHFC determines are necessary for project operation may be added based on reasonable expectations of their cost to the project.

Funding Determination

The amount of funding received under the RHP program may not exceed, either 85% of a project's total development cost (TDC) excluding developer fee, or 100% of the amount necessary, as determined by AHFC, to result in a financially feasible development, **whichever is lower**. Factors to be considered in determining the amount of "necessary" RHP funds include other funding sources committed, and any available loan program funds which could reasonably be expected to support the project based on anticipated revenue and expenses. AHFC reserves the right to adjust the applicant's projected revenue and expenses based on an underwriting review completed by AHFC.

AHFC reserves the right to deny RHP funds to any applicant, regardless of that applicant's point ranking if, in AHFC's sole determination, the applicant's proposed project is not financially feasible or viable. Additionally, RHP funds may be awarded out of the ranking order established by the points earned. In such cases, this recommendation shall be based on the amount of RHP funds requested, relative to the amount of funding available, as well as other selection criteria identified within the rating criteria plan.

INTENT TO AWARD

AHFC will announce the final awards in a "Notice of Intent to Award" letter. This letter will be sent to all applicants. Funding amounts may vary between the approved amount and the amount requested by the applicant. In such cases, the applicant may accept or deny the grant award. If the applicant chooses not to accept the award, no additional consideration will be given to the applicant during that funding cycle and the declined program funds may be offered to another qualified applicant. An applicant may have the right to protest the scores received and the distribution of AHFC funds under 15 AAC 151.830 and 15 AAC 150.220.

Appeal Process

All awards made under the NOFA are subject to the appeal process specified in 15 AAC 150.220. Protests must be in writing and must include at least the following information:

1. The Name, Address, and Telephone number of the applicant;
2. The Signature of the Applicant or the Applicant's designated representative;
3. Identification of the issue;
4. A detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
5. The form of relief requested;

The protest must be received by AHFC within 10 calendar days of the Notice of Intent to Award. The protest should be address to the Director of Planning and Program Development.

Infrastructure Review

After the Intent to Award has been issued and the Appeals Process has passed, AHFC will perform an Infrastructure Capacity Review on all RHP awarded developments through the program. The purpose of the review is to determine the impact that the applicants' project will have on the communities' water and sewer utilities, heating resources, and electricity supply. The infrastructure review is not performed on predevelopment projects or rehabilitation projects that do not result in a net increase in square footage.

To perform the Infrastructure Review, AHFC will use the applicant's application information. AHFC will provide this information to AIDEA, AVEC, Village Safe Water, and Alaska Native Tribal Health Consortium for their opinion on the current utilities in the project communities and the potential impact the projects may have on existing infrastructure.

Developments that receive a "moderate" to "severe" rating on infrastructure demand will be subject to further inquiries or review. Changes to design may be required to satisfy this requirement and earn a "minimal" rating.

GRANT AGREEMENT

AHFC will draft a grant agreement for each successful Rural Professional Housing Grant Program proposal. The grant agreement will specify the terms and conditions of the grant award, including reporting requirements, period of performance, and regulatory guidance.

Project Changes and Non-Compliance with Rating Criteria after Award

AHFC will not approve any project changes pertaining to rating criteria that would modify the order in which applications were ranked during the rating process. AHFC will consider requested changes only if there is substantive reason, in AHFC's opinion to believe that in not approving the change, the financial feasibility of the project will be compromised.

All project characteristics proposed by the applicant become part of the extended use agreement or deed restriction which are recorded on a funded project. Failure to meet any of these requirements which are incorporated in to the extended use agreement or deed restriction is considered a violation of this award plan. Such violations would be considered as breaching the grant agreement and may result in a suspension or de-obligation of the grant funds on non-compliance. If disbursements have been made before unapproved changes or altercations were made, AHFC may demand repayment of the RHP program funds.

Reporting Requirements

All projects receiving Rural Professional Housing Grant Program Grant Funds must comply with the reporting requirements that are specified in any grant agreements, award letters/documents or loan documents. These reporting requirements are detailed in the documentation provided to successful recipients.

Project Initiation Reports

Prior to execution of the grant agreement or disbursement of RHP funds, the recipient may be asked to provide AHFC with the project initiation reports specified in Pre-Execution or Pre-Disbursement Checklists. These documents are live documents, updated annually; therefore, these documents will be included as attachments to the grant. Typical Pre-Execution and Pre-Disbursement documents may include, but are not limited to:

1. Development Schedule
2. Project Budget
3. Cost Allocation Plan
4. Authorized Signatories Form
5. Commitment letters for other sources of funds contributed to the project, including evidence of other funding sources such as permanent loans
6. Project Team Report
7. Other reports may be required, depending on the RHP Program iteration or grantee

Quarterly Reports

On a quarterly basis, all RHP grant recipients must provide the following reports to AHFC prior to the end of the month following quarter end.

1. 1st Quarter – January 1 to March 31; report due by April 30
2. 2nd Quarter – April 1 to June 30; report due by July 31
3. 3rd Quarter – July 1 to September 30; report due by October 31
4. 4th Quarter – October 1 to December 31; report due by January 31

The documents needed will be supplied to the grantee as part of the grant agreement documents packet. Quarter end submissions will include the following:

1. Quarterly Financial Report (QFR)

2. Quarterly Status Report (QSR)
3. Photographs of project progress during the past quarter

Quarterly Narrative Reports should describe in detail, the construction progress, concerns, and delays. The narrative should also reconcile with the expenditures reported in the Quarterly Financial Report.

Funds Disbursement Requests

Upon completion of all pre-disbursement grant documents, grantees may submit Funds Disbursement Requests using the provided “FDR” form. Funds disbursements will be tracked using the Quarterly Financial Report and described through a written narrative in the Quarterly Status Report. Grantees should be requesting 100% of the reported expenditures through each quarter and be able to substantiate the expenditures.

Grant Amendments

There may be instances where a grantee would need to request for a grant amendment, due to changes in the development site, development team, budget, period of performance, or design. Any change to the grant agreement must first be formally requested through writing. A letter addressed to the RHP Program Manager must include the type of change and an explanation for the change. AHFC may approve or deny changes depending on the situation. AHFC will not approve changes that would otherwise alter the ranking of RHP applications.

Budget revisions per 15 AAC 154.770, may be requested through a letter of request and updated budget form. An explanation of the budget revision should be included in the letter. Approved budget by line items may be categorized into different line items if necessary; however, the total grant amount cannot increase. An executed formal grant agreement will be required if there is an approved change by the Corporation in the scope of the beginning or ending date of the period of performance or a new funding award will increase the grant agreement/amendment.

If at any time, the grantee wishes to amend the budget due to cost savings, AHFC will execute a formal budget amendment or budget revision following the standard Budget Revisions guidance, noted above. In the event of a requested reduction in the overall grant funds provided by AHFC, the grantee and AHFC will share the cost savings based on the ratio of RHP Grant Funds and Other Funding as identified in the approved budget.

Final Closeout Reports / Requirements

When a project is complete, the grantee shall submit closeout documents to close the grant. These items will be found on the Closeout Checklist, included with the grant agreement documents packet. These items may include, but not limited to:

1. A Final Status Report
2. A Final Financial Report
3. The original and recorded Declaration of Covenants, Conditions and Restrictions and a Deed of Trust.

4. A notarized original Promissory Note
5. Letter from architect certifying that all required accessibility laws have been met (new construction only)
6. Necessary certifications of inspection, including PUR-101 (BEES) and PUR-102 if applicable
7. Final Cost Certification
8. Photographs of the completed project
9. Any additional documentation as required by AHFC based on the development proposal.

Grantees must complete the Grant Close-Out within 90 calendar days after the completion of development activities as required by the terms and condition of the grant agreement. Failure to submit acceptable closeout documentation within the stated allowance may result in a penalty of \$100 per day, to be subtracted from the final payment of retainage funds.

Project Closeout Extensions

Requests for closeout extension are defined under AHFC Grant Management Regulations 15 AAC 154.810 which states, "The Corporation may approve extensions, for good cause, when requested by the recipient." To receive consideration for a closeout extension under the Rural Professional Housing Grant Program (RHP), a grantee must submit a written request to the RHP Program Manager which clearly identifies that a request for a project closeout extension is being made and describes the conditions that exist which make the closeout extension necessary. AHFC will approve an extension for "good cause" under the following conditions:

1. A request for extension is made before the end of the Project Closeout Period;
2. Outstanding issue or condition exist in the housing, after completion of the PUR-102, that are beyond the control of the grantee, and would negatively impact tenancy of the housing or place tenants at risk; and/or,
3. There will be a delay in the submission of project closeout documentation due to factors beyond the grantee's control and the grantee has demonstrated reasonable effort to obtain such documentation.

A request for closeout extension will not be approved if AHFC finds that the grantee's actions, or failure to act, resulted in a delay of project closeout activities. In the event that an extension is not approved, the grantee has the option of filing an appeal. A written appeal request must be received by AHFC within ten (10) calendar days of the original RHP Program Manager's written response. It must contain an explanation of why the appeal is being made. The letter must be addressed to Planning Officer, Planning and Program Development, AHFC, P.O. Box 101020, Anchorage, Alaska, 99510-1020

Penalty for Failure to Submit Reports

If activity has not occurred on a grant during the report period, Grantee shall submit a report stating no activity and the reason no activity has occurred.

Failure to submit two (2) or more quarterly reports within the 20 days after the end of the quarter may result in termination of the Grant.

AHFC reserves the right to take action specified in 15 AAC 154.700 – 154.834 and 2 AAC 45.010 – 45.090 if grantee fails to meet reporting requirements outlined in their grant agreement.

Additional Report Requirements

AHFC may at its discretion require a grantee to submit additional documentation to support disbursement requests or progress.

Retainage Requirements

AHFC will retain an amount equal to ten percent (10%) of a recipients total grant amount. Retainage funds will be disbursed upon satisfactory completion of the grantee's project, in accordance with the recipient's grant agreement. Where appropriate, as determined by AHFC, the retainage amount may be increased by AHFC. In addition, if required close-out documentation is not submitted within the timeframe specified in in the recipient's grant agreement, **a charge of \$100/day will be levied against the retainage amount** until all close-out documentation has been received by AHFC.

Suspension

If a grantee fails to satisfactorily perform the work as described in the grant agreement, or concern arises due to financial reporting, changes, or any other critical factor as determined by AHFC, a suspension may be applied to the grantee which temporarily halts the project until the issues can be resolved.

Termination

RHP fund awards may be revoked or recaptured, at AHFC's discretion, for violations of program rules, regulations, or statutes; inability of the applicant/sponsor to complete the project on time; failure of the sponsor/applicant /owner to meet deadlines or other reporting requirements during the development phase of the project; fraudulent activities; performance on previous AHFC financed or funded projects; or knowingly mislead AHFC through actions or statements concerning the award of other funds.

If AHFC determines that the award of RHP must be revoked or recaptured the project sponsor/applicant/owner will receive a written explanation detailing the following items:

1. The reason for the action;
2. The federal or state rules, regulations or statutes violated;
3. AHFC remedy for the action; and
4. The appeal process that is available to the project sponsor or recipient of RHP funds.

Transfer of Ownership

No sale or assumption of RHP-funded property shall occur without the expressed written consent of AHFC. If the property is sold without the express prior written consent of AHFC, the Sponsor's grant agreement with AHFC may be terminated according to 154.820(c). The grantee may be required to pay back all of the funds awarded under the agreement, consistent with 15 AAC 154.785.

Project Cost Determined By Final Cost Certification

If the Final Project Cost Certification reflects a reduction in project cost, the final percent of grant funds to development cost cannot exceed the original Grant to Total Development Cost Ratio. For example, a proposed \$2.0 million dollar project funded with \$1,000,000 in RHP Funds (50% of Project Cost) and \$1,000,000 in loans (50% of Project Cost) is built for \$1.8 million dollars. The maximum amount of grant funds that AHFC will allow to be reimbursed for the project will be \$900,000, or 50% of the new Total Development Costs.

If a Final Project Cost Certification reflects an increase in project cost, AHFC will not allow a grantee to be reimbursed for an amount greater than the original grant award. For example, AHFC awards \$700,000 to a \$1 million dollar project. The Final Project Cost Certification indicates that the project cost \$1.4 million. The maximum grant award that will be disbursed will not exceed \$700,000. Note that if the Final Project Cost exceeds the original Project Award and the grantee has not received AHFC permission to modify the Project Development Budget before the Final Project Cost Certification, the grantee may be penalized in future grant applications.

MONITORING and LONG TERM COMPLIANCE

AHFC may monitor and evaluate the programmatic or financial performance and progress of the grant project whenever it is determined to be in the best interest of the Corporation.

As a condition for this grant, recipients of RHP funding are required to use all dwelling units developed under the grant program exclusively for eligible persons/households during the 10 year compliance period. Leases must be with individuals, households, or eligible entities for a minimum of 30 days to qualify the unit(s) as "residential". Transfer of property, additions, and use of the property as collateral must first be approved by AHFC. The minimum period that these developments must be rented to eligible persons/households is 10 years, beginning on the day of the PUR-102 (final construction inspection) or, for rehabilitation projects, beginning on the grant closeout date.

Generally, developments are limited to teachers, health professionals, and public safety professionals. Please refer to the Declaration of Covenants, Conditions, and Restrictions (DCCR) for specific development guidelines.

1. Teacher Housing – housing for teachers, other educators and (or other) staff employed by the public school district, public vocational education institution and public university in which the housing unit is physically located;
2. Public Safety Housing – housing for public safety personnel not limited to law enforcement, employed by the State of Alaska or an instrumentality thereof, including Village Public Safety Officers (VPSOs) the federal government or municipal/tribal government;
3. Health Professional Housing - housing for any person who is licensed or board certified by the State of Alaska in a health profession; holds a state certification in a health occupation; or is an administrator of a hospital or clinic, or employed as an aide, attendant, assistant, counselor or technician in a health field.

For developments that have committed to any of the three qualifying professional groups, housing, they must reserve at least one of the dwelling units to be used exclusively for the housing of that professional group. Please refer to the Declaration of Covenants, Conditions, and Restrictions (DCCR) for further guidance.

AHFC will identify monitoring schedules and frequency based on its determination and assessment of risk. RHP development owners/managers may be contacted at will and asked to provide support documentation to evidence compliance. The monitoring process will be conducted per AHFC's grant administration monitoring procedures and may be completed through desk audits or on-site monitoring.

Documents to evidence compliance for the RHP program will include the following:

1. Current tenant list and historic tenant list
2. Lease agreements for tenants since last monitor
3. Employment verifications for all tenants that have resided on the property since last monitor
4. Bank/financial statement for maintenance funds
6. Log of maintenance performed since last monitor
7. Energy/utility usage for most recent two (2) years

All documents must be retained 1 year past the compliance period to ensure complete records retention during the compliance period and as a final monitoring conducted following the compliance period.

ADDITIONAL REFERENCES and FEDERAL REGULATIONS

Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin;

Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps;

The Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;

The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing;
Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514;

1. Notification of violating facilities pursuant to EO 11738;
2. Protection of wetlands pursuant to EO 11990;
3. Evaluation of flood hazards in floodplains in accordance with EO 11988;
4. Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.);
5. State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.);
6. Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and;
7. Endangered Species Act of 1973, as amended (P.L. 93-205).

The Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

Compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

Flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

Provisions of Alaska Administrative Code 2AAC 45.010 – 45.090; Grant Administration Regulations

Provisions of Alaska Administrative Code 15AAC 154.700 – 154.835; Grant Management Regulations

Provisions of State of Alaska AS 08.18, Construction Contractors, including:

1. Registration – AS 08.18.011— 08.18.061
2. Bond and Insurance – AS 08.18.071— 08.18.115 iii) Enforcement – AS 08.18.116 08.18.151
3. General Provisions – AS 08.18.161—08.18.171

Provisions of State of Alaska AS 36.25.010; Bonds of Contractors for Public Buildings or Works.

Resolution 01-15, Sustainability for Denali Commission Funded Infrastructure Projects

m) The Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

The Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

Required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."