

ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS MEETING

October 21, 2025

Anchorage

10:00 a.m.

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. MINUTES: August 27, 2025
Next Resolution: #25-17
- IV. PUBLIC COMMENTS
- V. OLD BUSINESS: None
- VI. NEW BUSINESS:
 - A. Consideration of a Resolution Authorizing the Issuance and Sale of Not to Exceed \$150,000,000 Aggregate Amount of General Mortgage Revenue Bonds II in One or More Series and Approving Related Matters. (2025-17)
 - B. Consideration of a Resolution to Authorize Alaska Housing Finance Corporation to Submit the FY2027 Operating and Capital Budgets Through the Department of Revenue to the Governor's Office for Submittal to the State Legislature. (2025-18)
 - C. Consideration of Resolution Authorizing Public Hearings for Amendments to: 15 AAC 151.440 (Senior Housing Loan Program); 15 AAC 151.542 (Multi-family loan purchase program); 15 AAC 151.545 (Multi-family, special needs, and congregate housing loans); 15 AAC 152.090 (Multi-family housing; conditions); and 15 AAC 155.635 (Energy efficiency loan program). (2025-19 to 2025-23)
 - D. Consideration of Resolution Assessing Requests for Proposals.
- VII. REPORT OF THE CHAIR
- VIII. BOARD COMMITTEE REPORTS: None
- IX. REPORT OF THE EXECUTIVE DIRECTOR
- X. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD: Monthly Reports and Meeting Schedules
- XI. EXECUTIVE SESSION: Corporation's operational and personnel matters that may have an impact on the Corporation's financial matters. Board action related to this matter, if any, will take place in the public session following the Executive Session.

**The Chair may announce changes in the Order of Business during the meeting



ALASKA HOUSING FINANCE CORPORATION BOARD OF DIRECTORS REGULAR MEETING MINUTES

August 27, 2025

Homer

10:00 a.m.

The Board of Directors of Alaska Housing Finance Corporation (AHFC) met August 27, 2025 in the Quarter Deck at Land's End, 4786 Homer Spit Rd, in Homer, Alaska, at 10:00 a.m. Board members present in the room and via teleconference were:

BRENT LEVALLEY	Chair Member of the Board
JESS HALL	Vice Chair Member of the Board
ALLEN HIPPLER	Member of the Board
HEIDI HEDBERG	Commissioner Department of Health Member of the Board
SANDRA MOLLER	Commissioner Department of Commerce, Community & Economic Development Designee Member of the Board
LLWELLYN SMYTH (telephonic)	Designee for Commissioner Department of Revenue 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. HEIDI HEDBERG **moved** to approve the agenda as presented. JESS HALL **seconded**. Hearing no objections, the agenda was **approved as presented**.
- III. **APPROVAL OF JUNE 25, 2025 MEETING MINUTES:** CHAIR LEVALLEY asked for revisions of the minutes. Hearing none, he then asked for a motion to approve the minutes. JESS HALL **moved** to approve the June 25, 2025 meeting minutes as presented. HEIDI HEDBERG **seconded**. Hearing no objections, the meeting minutes were **approved as presented**.
- IV. **PUBLIC COMMENTS.** RHONDA JOHNSON with Cornerstone Credit, a lending partner with AHFC, offered compliments and comments on corporate lending products.



REPRESENTATIVE SARAH VANCE thanked the corporation for its board meeting in her district, and noted the importance of housing solutions in Homer. JESS TIMHOFF, a local business owner, asked the corporation to look into liberalizing its lending standards for unconventional home structures.

V. **OLD BUSINESS:** There was no Old Business to come before the Board.

VI. **NEW BUSINESS:**

- A. **Election of Officers** – CHAIR LEVALLEY opened the floor for nominations of Officers. Jess Hall was nominated as Chair with Brent LeValley as Vice Chair. HEIDI HEDBERG made a motion to **approve** the officers as nominated. ALLEN HIPPLER **seconded**. Roll call vote was taken. **Motion passed 6-0.**
- B. **Consideration of a Resolution of the Alaska Housing Finance Corporation authorizing the issuance and sale of not to exceed \$125,000,000 aggregate amount of Collateralized Bonds (Veterans Mortgage Program), in one or more series, and approving related matters (2025-14)** – BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand explained that the corporation has federal authorization to issue tax-exempt veterans bonds, backed by the State of Alaska and requiring voter approval. To date, \$3.3 billion has been authorized, \$2.84 billion issued, and \$156 million remain outstanding, with about \$450 million still available for issuance. The board is asked to approve issuing up to \$125 million in new bonds to finance veterans' loans. These fixed-rate, tax-exempt bonds will be awarded through a competitive bidding process with support from AHFC's financial advisor. The current offering is expected to be about \$110–115 million, with yields projected near 5%. CHAIR LEVALLEY asked for a motion to approve Resolution 2025-14. ALLEN HIPPLER made a motion to **approve** Resolution 2025-14. JESS HALL **seconded**. Roll call vote was taken. **Motion passed 6-0.**
- C. **Consideration of a Resolution Approving a \$1,500,000 Loan to Provide Funds Under the Loans to Sponsors Program to Cook Inlet Housing Corporation (2025-15)** – BRYAN BUTCHER introduced the item and JIM MCCALL presented. Mr. McCall explained that the \$1.5 million loan is under AHFC's Loans to Sponsors program for the Cook Inlet Lending Center (CILC), a nonprofit affiliate of Cook Inlet Housing Authority. The program, created in 1993, provides funding to sponsors who then reloan to low- and moderate-income families, tailored to local needs. CILC will use the funds to continue its down payment and closing cost assistance program, offering up to 20% of a home's price (capped at \$75,000) to first-time buyers in Anchorage, Mat-Su, and Kenai. With a 20-year history, 230 active recipients, and strong repayment performance, staff recommended approval of the loan to expand affordable homeownership opportunities. CHAIR LEVALLEY asked for a motion to approve Resolution 25-15. JESS HALL made a motion to **approve** Resolution 2025-15. HEIDI HEDBERG **seconded**. Roll call vote was taken. **Motion passed 6-0.**
- D. **Consideration of a Resolution Approving a \$1,500,000 Loan to Provide Funds Under the Loans to Sponsors Program to Haa Yakaawu Financial Corporation (2025-16)** - BRYAN BUTCHER introduced the item and JIM MCCALL presented. Mr. McCall stated the Haa Yakaawu Financial Corporation (HYFC), a nonprofit subsidiary of Tlingit Haida Regional Housing Authority, requested \$1.5 million in Loans to Sponsors funding to start a first-time homebuyer assistance program. The

program will provide down payment and closing cost support up to 20% of a home's value, prioritize households below 80% of area median income, and require participants to complete financial and homeownership education. While HYFC has no current AHFC loans, it has nearly 30 years of experience serving Southeast Alaska. Staff recommended approval to expand affordable homeownership in the region. CHAIR LEVALLEY asked for a motion to approve resolution 2025-16. JESS HALL made a motion to **approve** Resolution 2025-16. HEIDI HEDBERG **seconded**. Roll call vote was taken. **Motion passed 6-0.**

E. Consideration of Board Direction on Assessing Requests for Proposals – Draft resolutions are being developed and will be presented at the next meeting for board review.

VII. REPORT OF THE CHAIR: CHAIR LeValley said that after 15 years of being Chair of the Alaska Housing Finance Committee, it was time for Jess Hall to take over. He complimented Bryan Butcher and his staff.

VIII. BOARD COMMITTEE REPORTS: There were no Board Committee Reports.

IX. REPORT OF THE EXECUTIVE DIRECTOR: Bryan Butcher shared that over the past month, AHFC leadership held key meetings with partners including the Alaska Mental Health Trust, Anchorage business leaders addressing homelessness, the University of Alaska on land for housing, and agencies like DNR and Alaska Railroad about potential housing sites. They also met with AFL-CIO's Housing Investment Trust to explore workforce housing investment. A major visit by HUD Secretary Scott Turner included Anchorage, Bethel, and a village visit, strengthening federal understanding of Alaska's housing challenges. AHFC continues collaboration with housing organizations amid federal funding uncertainty. Staff updates included the retirement of longtime Cordova maintenance mechanic Martin Faulkner and upcoming employee and philanthropic events. Future engagements include the Alaska Bankers Association annual meeting. The next AHFC board and audit committee meetings are scheduled for October 22.

X. ANY OTHER MATTERS TO COME BEFORE THE BOARD.

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

2. Meeting Schedules.

AHFC Audit Committee Meeting
AHFC Regular Board Meeting

October 22, 2025
October 22, 2025

XI. EXECUTIVE SESSION. HEIDI HEDBERG made a **motion** to go into executive session. JESS HALL **seconded**. The board went into executive session at 11:16 a.m. At 11:52 a.m., ALLEN HIPPLER **moved** to come out of executive session. HEIDI HEDBERG **seconded**.

CHAIR LEVALLEY stated that CEO Bryan Butcher will receive a 4% salary raise. ALLEN HIPPLER **made a motion** to support that decision. HEIDI HEDBERG **seconded**. Roll Call vote was taken. **Motion passed 6-0.**

ADJOURNMENT: With no other matters to consider, CHAIR LEVALLEY stated that asked for a motion to adjourn. HEIDI HEDBERG **moved** to adjourn the meeting. JESS HALL **seconded**.

CHAIR LEVALLEY adjourned at 11:54 a.m.

ATTESTED:

Brent LeValley
Board Chair

Bryan Butcher
CEO/Executive Director

ALASKA HOUSING FINANCE CORPORATION BOARD CONSIDERATION MEMORANDUM

Date: October 21, 2025

Staff: Mike Strand

Item: General Mortgage Revenue Bonds II

Proposal:

Staff is proposing the issuance of up to \$150 million General Mortgage Revenue Bonds II (the “Bonds”), in one or more series, similar to other previously approved General Mortgage Revenue Bonds II, of which \$1.4 billion has been issued to date and \$877 million is currently outstanding.

Background:

Although absolute mortgage rates and bond yields are still high compared to recent years, relative spreads from tax-exempt municipal bond financings remain positive, allowing us to offer lower mortgage rates to our home buyers. As a result, mortgage activity has remained robust with \$626 million in purchases over the past 12 months. Due to higher rates, there are also very few refinances or payoffs, meaning minimal prepayments come in to offset these capital outflows. This necessitates the need for additional low-cost capital beyond our current balance sheet capacity.

The Federal Reserve also began resuming its short-term rate cuts last month, with more expected in the upcoming months. We project mortgage rates to eventually drop but remain volatile as investors try to gauge market direction, so we must be prepared to enter the market quickly when the economic environment is positive and investors are willing to purchase bonds at favorable spreads to our mortgages. We plan to use the capital bond proceeds to backfill the balance sheet without taking any origination risk if mortgage rates decrease in the near future.

Bond Issue:

We are proposing to issue the Bonds in two different series. The first series will be tax exempt, fixed rate bonds which will provide new low-cost financing for qualified mortgage loan borrowers under our First Home Limited Program and Veteran’s First Home Limited Program. The second series will be tax-exempt, fixed rate bonds to current refund certain outstanding pre-Ullman debt obligations, allowing us to maximize recycling in our single-family non-qualified mortgage programs with a cheaper cost of capital.

With the Board’s approval, provided certain financial criteria have been satisfied, the Corporation plans to price the bonds in January with issuance in February. We will be



prepared to price them as early as November if economic conditions determine the need to issue sooner, or if mortgage activity increases the need for additional liquidity before our planned delivery date in February.

Underwriting:

AHFC staff and our financial advisor, Masterson Advisors, agree that the most appropriate method-of-sale is a negotiated sale executed through a competitive RFP process because it achieves the best financing structure and lowest borrowing costs. We recently sent out a request for proposals to choose the most qualified underwriters, and a committee evaluated all responses based on financing plan, pricing spreads, total costs, banking firm and AHFC relationship. Based on the evaluation, Raymond James was selected as the book-running senior manager for this transaction, while Bank of America, Fidelity, Jefferies, RBC, and Wells Fargo were all chosen as comanagers to help support the sale of the Bonds during pricing.

Resolution and Documents:

In accordance with our Fiscal Policies, this Bond Resolution approves the various Bond documents and authorizes the sale of the Bonds by a negotiated method-of-sale with the underwriting group chosen by the evaluation committee. Attached for review are drafts of the Bond documents in substantially final form (Preliminary Official Statement, Supplemental Indentures and Bond Purchase Agreement).

Recommendation:

Finance staff recommends Board approval.

BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION RESOLUTION 2025-17

RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$150,000,000 AGGREGATE AMOUNT OF GENERAL MORTGAGE REVENUE BONDS II IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE FOR EACH SUCH SERIES TO SECURE SUCH 2025/2026 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS AND ONE OR MORE CONTINUING DISCLOSURE CERTIFICATES RELATING TO THE SALE OF THE 2025/2026 BONDS; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE 2025/2026 BONDS AND THE DISTRIBUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO THE 2025/2026 BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Corporation has determined to issue separate series of its General Mortgage Revenue Bonds II, the aggregate principal amount of which will not exceed \$150,000,000, consisting of General Mortgage Revenue Bonds II, 2025 Series A or 2026 Series A (the “Series A Bonds”) and General Mortgage Revenue Bonds II, 2025 Series B or 2026 Series B (the “Series B Bonds”) and such other series of General Mortgage Revenue Bonds II as the Corporation may determine to be appropriate (together, the “2025/2026 Bonds”); and

WHEREAS, the 2025/2026 Bonds will be fixed-rate, floating rate, variable rate, tax-exempt or taxable bonds; and

WHEREAS, the 2025/2026 Bonds will be issued under an Indenture (the “Master Indenture”), dated as of July 1, 2012, by and between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); and

WHEREAS, the Series A Bonds will be issued pursuant to a 2025/2026 Series A Supplemental Indenture substantially in the form presented at this meeting (the “2025/2026 Series A Supplemental Indenture”); and

WHEREAS, the Series B Bonds will be issued pursuant to a 2025/2026 Series B Supplemental Indenture substantially in the form presented at this meeting (the “2025/2026 Series B Supplemental Indenture”); and

WHEREAS, any other Series of 2025/2026 Bonds will be issued pursuant to one or more General Mortgage Revenue Bonds II Supplemental Indentures substantially in the forms of the 2025/2026 Series A Supplemental Indenture and the 2025/2026 Series B Supplemental Indenture (together, the “Supplemental Indentures”), as applicable, and, in each case, such Supplemental Indentures will be entered into by and between the Corporation and the Trustee; and



WHEREAS, provisions shall be made for the sale of the 2025/2026 Bonds pursuant to one or more bond purchase agreements between Raymond James & Associates Inc., representing itself and certain other underwriters identified therein (collectively, the “Underwriters”) and the Corporation, and/or between Raymond James & Associates Inc., as the sole underwriter, 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 one or more Continuing Disclosure Certificates or to execute in lieu thereof a certificate embodying the same terms for the 2025/2026 Bonds (the “Continuing Disclosure Certificate”), in the form attached to 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 2025/2026 Bonds (the “Preliminary Official Statement”), the final form of which shall be substantially in the same form and content as the form of Preliminary Official Statement presented at this meeting (collectively, the Preliminary Official Statement, the Supplemental Indentures, the Bond Purchase Agreement and the Continuing Disclosure Certificate are herein referred to as the “Bond 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; and

WHEREAS, the final form of the 2025/2026 Bonds shall be substantially in the same form and content as the forms set forth in their respective Supplemental Indentures; and

WHEREAS, all consents, proceedings, and approvals necessary for the authorization, sale, and delivery of the 2025/2026 Bonds have been taken or received, or will have been taken or received as of the time of the sale and delivery of the 2025/2026 Bonds;

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

Section 1. The issuance of, and the performance by the Corporation of the obligations contained in, the 2025/2026 Bonds are hereby authorized, approved, and confirmed, provided that (1) the aggregate principal amount of the 2025/2026 Bonds shall not exceed \$150,000,000, (2) the 2025/2026 Bonds shall bear interest at such rate or rates as shall be agreed to by an Authorized Officer, as defined below, provided that no such rate shall exceed 8% per annum, and (3) the 2025/2026 Bonds are in substantially the form and content set forth in the respective Supplemental Indentures 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. 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 form of the Preliminary Official Statement and the final form of the Official Statement (the "Official Statement"). The final form of the Preliminary Official Statement and the final form of the Official Statement shall each 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; however, the final form of the Preliminary Official Statement and the final form of the Official Statement may each contain such changes as the Authorized Officers consider necessary or appropriate to fully disclose to purchasers of the 2025/2026 Bonds all pertinent information relating to the 2025/2026 Bonds. 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 by the Underwriters in connection with the offering of the 2025/2026 Bonds is hereby ratified, confirmed, and approved.

Section 4. The Authorized Officers of the Corporation are each authorized to have the 2025/2026 Bonds prepared and to execute and authorize the delivery of the 2025/2026 Bonds to the Underwriters in accordance with the terms of the Bond Purchase Agreement upon receipt of the purchase price for the 2025/2026 Bonds plus accrued interest. The Authorized Officers are each authorized to do and perform all acts and things and execute any and all documents in the name of the Corporation necessary, useful, or convenient to the issuance and sale of the 2025/2026 Bonds.

Section 5. The Authorized Officers are severally authorized, after execution of the 2025/2026 Bonds, to deliver the 2025/2026 Bonds to the Trustee for authentication under the Master Indenture and the Supplemental Indentures and, upon authentication and upon receipt of the balance of the purchase price of the 2025/2026 Bonds, to deliver to the Trustee a written order in the name of the Corporation directing the Trustee to deliver the 2025/2026 Bonds to the purchasers and to receive the proceeds of sale of the 2025/2026 Bonds and related amounts and give a written receipt therefor on behalf of the Corporation, to apply said proceeds and related amounts in accordance with the terms of the Master Indenture and the Supplemental Indentures, 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 Supplemental Indentures) that constitute conditions precedent to the authentication and delivery of the 2025/2026 Bonds or that are otherwise required or convenient to be done and performed by or on behalf of the Corporation prior to or simultaneously with the delivery of the 2025/2026 Bonds.

Section 6. The Authorized Officers are severally authorized for and on behalf of the Corporation to do or cause to be done all acts and things and execute any and all documents and agreements as they deem appropriate and necessary including, without limitation, any investment agreements for the proceeds of the 2025/2026 Bonds, all in the name of the Corporation as may

be required or desirable to be done by the Corporation (or any Authorized Officer of the Corporation) under and pursuant to the terms of the Master Indenture and the Supplemental Indentures and all acts and things required or desirable to be done by the Corporation in accordance with the terms and conditions of the Bond Documents and to provide for the issuance and sale of the 2025/2026 Bonds.

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

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

Section 9. This resolution shall take effect immediately.

PASSED AND APPROVED: by the Board of Directors of the Alaska Housing Finance Corporation this _____ day of October, 2025.

Jess Hall, Chair

FY2027

Operating & Capital Budget Request



The City of Saxman and the Ketchikan Gateway Borough celebrated the ribbon cutting of new units on October 11, 2025 that was funded by AHFC's Last Frontier Housing Initiative. This innovative approach partnered AHFC funding through federal and state sources with local governments contributing land or other assets to add housing in their communities.

(Photo Courtesy of Amy Briggs, Ketchikan Gateway Borough)

This budget document reflects on significant events in FY25 while forecasting needs for FY27.

**Board presentation Oct. 21, 2025
AHFC Budget department**

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Summary of Budget Preparation

Starting in July of every year, the Alaska Housing Finance Corporation's Budget Department provides instructions to the Corporation's departments on how to prepare their budgets for the upcoming fiscal year. Departments submit their requests along with other requested performance management items. The Budget Department develops a preliminary budget for review, modification, and eventual approval by the AHFC Executive Office. AHFC presents its proposed budget to the Office of Management and Budget (OMB) in September. Additional changes to the budget may occur based on feedback received from OMB. Once AHFC receives direction from OMB on this year's budget submission process, Budget Staff enter proposed budget information into the State of Alaska's Budget System (ABS).

The proposed budget is presented to the AHFC Board of Directors in October for approval. Upon approval, the Budget Department notifies the Department of Revenue and the Office of Management and Budget that the budget is approved and the information entered into the State of Alaska's Budget System (ABS) is ready for submission as part of the Governor's Proposed Budget. The Governor's Budget is traditionally released in December and includes AHFC's budget request.

The Governor's Budget go through the legislative approval process, starting with subcommittee review and eventually moving to the House and Senate for approval. If House and Senate do not achieve concurrence, the budgets may go to Conference Committee, where appointed members from the House and Senate work together to achieve consensus. Once consensus is achieved the budget is enrolled and is then transmitted to the Governor for review. The Governor has twenty days from time of bill receipt to approve, or veto, the enrolled budget items. Once the Governor approves the budget, or twenty days have lapsed, the budget becomes enacted.

**ALASKA HOUSING FINANCE CORPORATION
BOARD CONSIDERATION MEMORANDUM**

Date: October 21, 2025

Staff: James Wiedle & Amy Michel

Item: Review and Approval of Alaska Housing Finance Corporation's (AHFC) FY2027 Capital and Operating Budget

Background:

Alaska Housing Finance Corporation's Budget Department is responsible for preparing AHFC's operating and capital budgets. The process begins in August with distribution of instructions to all departments. Budget staff meets with AHFC Departments to assess their funding needs for the upcoming fiscal year. Departments submit requests, with documentation, for any capital or operating budget increments. The Budget department takes these requests and develops a preliminary budget, further modified and then approved by the AHFC's Executive Office. AHFC presented its proposed FY2027 budget to the Office of Management and Budget (OMB) on Sept. 22, 2025. The budget presented today, for AHFC Board approval, is a culmination of these efforts.

Issue:

AHFC's total operating request for FY2027, including all subsidiaries, is approximately \$156 million, representing an increase of approximately \$16.4 million from FY2026. Approximately \$14.8 million of the request is to fund the rising cost of housing assistance payments under the AHFC Housing Choice Voucher Program. The remaining portion requested is to cover personal services costs, including costs associated with reclassifying Voucher Program positions and also to pay for a 2.5% cost of living allowance authorized for FY2027 under Senate Bill 259.

Staff recommend a federal supplemental request for FY2026 in the amount of \$15.3 million. Approximately \$14.8 million of the request is to fund the rising cost of housing assistance payments under the Housing Choice Voucher Program and the remaining portion is to cover costs associated with reclassifying AHFC Voucher Program positions.

Staff recommend a capital budget of approximately \$113 million. Funding details include \$2.5 million in debt service, \$63.2 million in federal authority, \$5.5 million in statutory designated program receipt authority, \$1.3 million in Mental Trust Authority Authorized Receipts, and \$4.6 million in Mental Health/General Fund (MH/GF) receipts. Approximately \$38 million is requested for projects funded by AHFC corporate dividends. Funding level requests for AHFC's capital projects are consistent with prior year capital requests.

Recommendation:

Staff recommends approval of the proposed budgets.

Upon approval, AHFC's CEO/Executive Director will submit these budgets through the Department of Revenue to the Office of Management and Budget for inclusion in the Governor's proposed capital, operating, and supplemental budget requests.

BOARD RESOLUTION OF ALASKA HOUSING FINANCE CORPORATION

RESOLUTION 25- 18

**RESOLUTION TO AUTHORIZE ALASKA HOUSING FINANCE CORPORATION TO SUBMIT THE FY2026
OPERATING AND CAPITAL BUDGETS THROUGH THE DEPARTMENT OF REVENUE TO THE
GOVERNOR'S OFFICE FOR SUBMITTAL TO THE STATE LEGISLATURE**

WHEREAS, the Budget Director of Alaska Housing Finance Corporation has prepared the proposed FY2027 Operating and Capital budgets submitted by staff; and

WHEREAS, the Budget Director presented the proposed FY2027 Operating and Capital budgets to the Executive Office;

WHEREAS, the CEO/Executive Director reviewed and discussed the budgets with the Office of Management and Budget on September 22, 2025;

WHEREAS, this budget complies with HUD's Asset Management format with project-based Asset Management Properties (AMPs), as well as the Central Office Cost Center (COCC) concept;

WHEREAS, the AHFC Dividend to the State, according to the established Transfer Plan, is calculated at \$54,275,000;

WHEREAS, the Executive Office, after carefully considering funding levels developed by staff, recommends to the full Board of Directors the proposed Operating and Capital budgets developed for FY2027; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Alaska Housing Finance Corporation that the FY2027 Operating and Capital budget request be hereby approved for submission and authorizes the CEO/Executive Director to submit these budgets through the Department of Revenue to the Office of Management and Budget for inclusion in the Governor's Budget submitted to the State Legislature.

PASSED AND APPROVED by the Board of the Alaska Housing Finance Corporation this 21st day of October 2025.

Jess Hall - Board Chair

FY2025 Operating Budget
Authorizations and Actual Expenditures Table Summary
Total Expenditures for All Alaska Housing (AHFC) Components (thousands)

	Authorized FY2025 Management Plan	Actuals	Unused Authority
Budget Category	\$225,405.6	\$149,094.6	\$76,311.0
Capital Outlay	1,134.7	148.7	986.1
Commodities	3,143.9	1,547.0	1,596.9
Grants	141,514.5	75,667.4	65,847.1
Land/Buildings	0.0	0.0	0.0
Miscellaneous	3,520.0	3,520.0	0.0
Personal Services	48,938.6	45,308.7	3,629.9
Services	26,557.1	22,590.8	3,966.3
Travel	596.8	312.1	284.7
Funding Receipts	\$225,405.6	\$149,094.6	\$76,311.0
AHFC Corporate	38,439.4	35,829.8	2,609.6
AHFC Corporate Dividend	3,520.0	3,520.0	0.0
CIP	2,798.5	2,756.6	41.9
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - COVID	54,703.1	28,610.1	26,093.1
Federal Receipts - HUD	70,934.6	70,045.9	888.7
GF/MH	200.0	37.5	162.5
I/A Authority	797.3	2,261.6	-1,464.3
MHTAAR	200.0	91.3	108.7
Stat Design Program Rcpt	33,362.7	5,734.1	27,628.6
Unrestricted General Funds	450.0	207.6	242.4

*Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

** Supplemental COVID appropriations

Total Expenditure for AHFC Operations Component (110) (thousands)

	Authorized FY2025 Management Plan	Actuals	Unused Authority
Budget Category	\$204,443.0	\$148,501.3	\$55,941.7
Capital Outlay	1,119.7	148.7	971.1
Commodities	3,085.6	1,530.2	1,555.4
Grants	121,514.5	75,667.4	45,847.1
Land/Buildings	0.0	0.0	0.0
Miscellaneous	3,520.0	3,520.0	0.0
Personal Services	48,321.4	44,945.8	3,375.6
Services	26,334.8	22,391.0	3,943.8
Travel	547.0	298.3	248.8
Funding Receipts	\$204,443.0	\$148,501.3	\$55,941.7
AHFC Corporate	38,439.4	35,829.8	2,609.6
AHFC Corporate Dividend	3,520.0	3,520.0	0.0
CIP	2,613.6	2,591.6	22.0
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - COVID	54,703.1	28,610.1	26,093.1
Federal Receipts - HUD	70,606.9	69,825.3	781.6
GF/MH	200.0	37.5	162.5
I/A Authority	797.3	2,261.6	-1,464.3
MHTAAR	200.0	91.3	108.7
Stat Design Program Rcpt	33,362.7	5,734.1	27,628.6
Unrestricted General Funds	0.0	0.0	0.0

**Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.*

*** Supplemental COVID appropriations*

Total Expenditures for ACAH Operations Component (3048) (thousands)

	Authorized FY2025 Management Plan	Actuals	Unused Authority
Budget Category	\$512.6	\$385.7	\$126.9
Capital Outlay	15.0	0.0	15.0
Commodities	14.8	15.7	-0.9
Grants	0.0	0.0	0.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0
Personal Services	310.7	244.3	66.4
Services	147.3	114.6	32.7
Travel	24.8	11.2	13.6
Funding Receipts	\$512.6	\$385.7	\$126.9
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend	0.0	0.0	0.0
CIP	184.9	165.1	19.8
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - COVID	0.0	0.0	0.0
Federal Receipts - HUD	327.7	220.6	107.1
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Stat Design Program Rcpt	0.0	0.0	0.0
Unrestricted General Funds	0.0	0.0	0.0

*Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

** Supplemental COVID appropriations

Total Expenditures for ASEC Operations Components (3520) (thousands)

	Authorized FY2025 Management Plan	Actuals	Unused Authority
Budget Category	\$20,450.0	\$207.6	\$20,242.4
Capital Outlay	0.0	0.0	0.0
Commodities	43.5	1.2	42.3
Grants	20,000.0	0.0	20,000.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0
Personal Services	306.5	118.6	187.9
Services	75.0	85.2	-10.2
Travel	25.0	2.6	22.4
Funding Receipts	\$20,450.0	\$207.6	\$20,242.4
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend	0.0	0.0	0.0
CIP	0.0	0.0	0.0
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - COVID	0.0	0.0	0.0
Federal Receipts - HUD	0.0	0.0	0.0
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Stat Design Program Rcpt	0.0	0.0	0.0
Unrestricted General Funds	450.0	207.6	242.4

**Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.*

*** Supplemental COVID appropriations*

Alaska Housing Finance Corporation Performance Measures

The State of Alaska Office of Management and Budget manages the State of Alaska's *Performance Management System*. Within this system, State of Alaska agencies document progress in achieving their mission. Alaska Housing Finance Corporation (AHFC) has a set of key measures reported within OMB's *Performance Management System* that document progress in performing core services and meeting the Corporation's mission. This document provides an update on AHFC's key measures of performance.

Mission

The mission of the Alaska Housing Finance Corporation is to provide Alaskans access to safe, quality, affordable housing.

Mission Performance Targets

<u>Result</u>	<u>Targets</u>
A) Improve the degree to which statewide housing needs are met.	1) <i>Increase the number of loans purchased.</i> 2) <i>Maintain a high Public Housing Voucher Utilization rate.</i> 3) <i>Maintain high performer percentages in AHFC owned and managed housing.</i>
B) Improve the Corporation's strength and ability to increase housing programs and services.	1) <i>Increase savings through energy efficiency programs</i> 2) <i>Maintain the AHFC general obligation credit rating.</i>

Core Services

- Provide programs and services that are responsive to diverse housing needs statewide
- Increase and sustain homeownership
- Increase special needs housing
- Manage finances to maximize Alaska Housing Finance Corporation profits

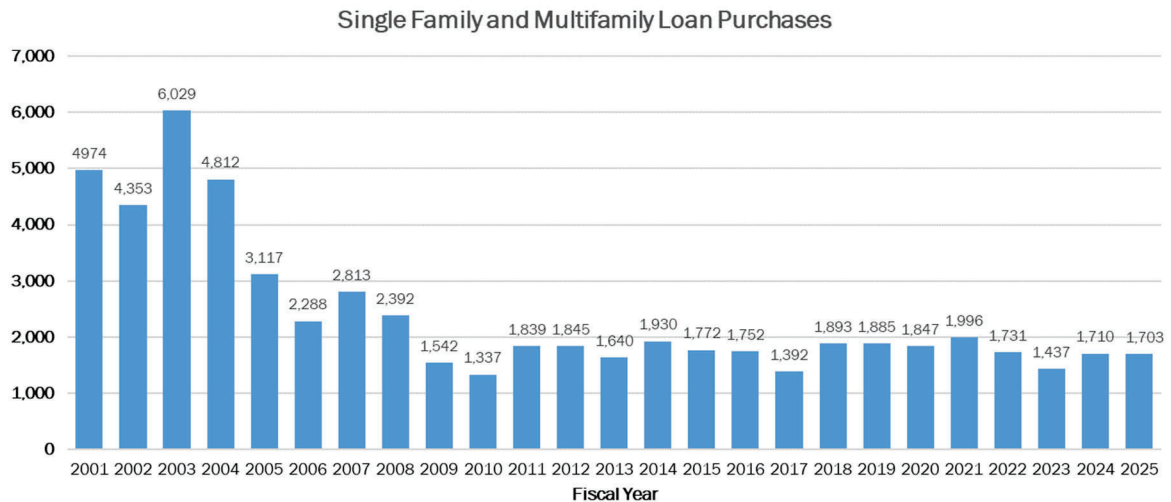
Core Service Performance Targets

<u>Result</u>	<u>Targets</u>
A1) Provide programs and services that are responsive to diverse housing needs statewide.	1) <i>Increase multifamily units.</i>
A2) Increase and sustain homeownership.	1) <i>Increase AHFC's market share.</i>
A3) Increase special needs housing.	1) <i>Increase senior housing.</i>
B1) Manage finances to maximize AHFC's profits.	1) <i>Maintain or increase adjusted net change in position.</i>

Performance Detail

Mission Result A: Improve the degree to which statewide housing needs are met:

Target #1: Increase the number of loans purchased



Analysis of results and challenges:

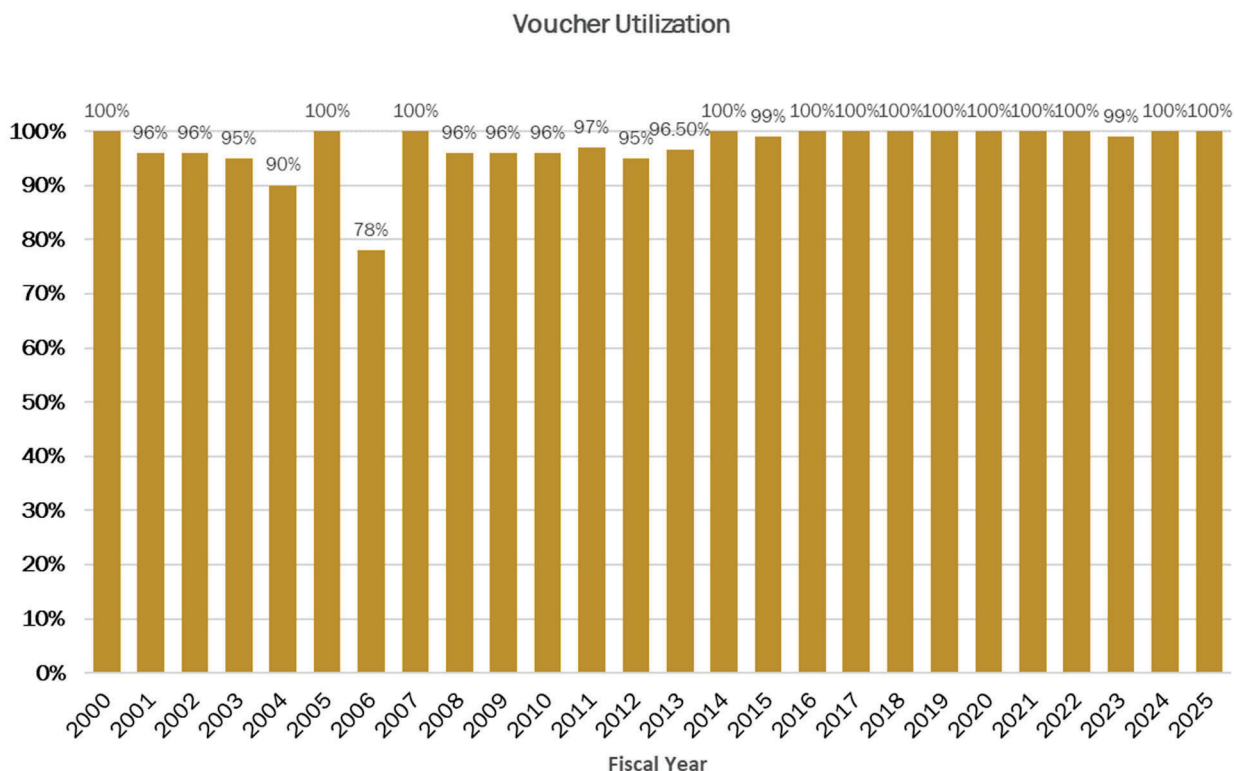
The total number of single-family loans purchased decreased by 0.4% from FY2024 to FY2025, while multi-family loans saw a 13.3% decrease.

Buyers in single-family markets across the state continued to see low inventory for sale, competing and multiple offers, increased prices, and a higher interest rate environment. These factors, coupled with lack of new construction, kept homeownership a priority and the real estate market extremely tight.

Combined loan purchase volume for single family & multi-family was \$648,329,443 for AHFC in FY2025. Compared to the prior year, this represents a 6.82% increase in total dollar volume, or an increase of \$41,387,220 from the prior year.

AHFC continues to offer loans and loan options to Alaskan borrowers that are not available from the Government Sponsored Enterprises (GSEs) or other investors. These options include programs for homebuyers that are low income, first-time homebuyers, veteran homebuyers, homebuyers who desire energy efficient housing, homebuyers seeking homes with features unique to Alaska; and, those that live in rural areas of the state.

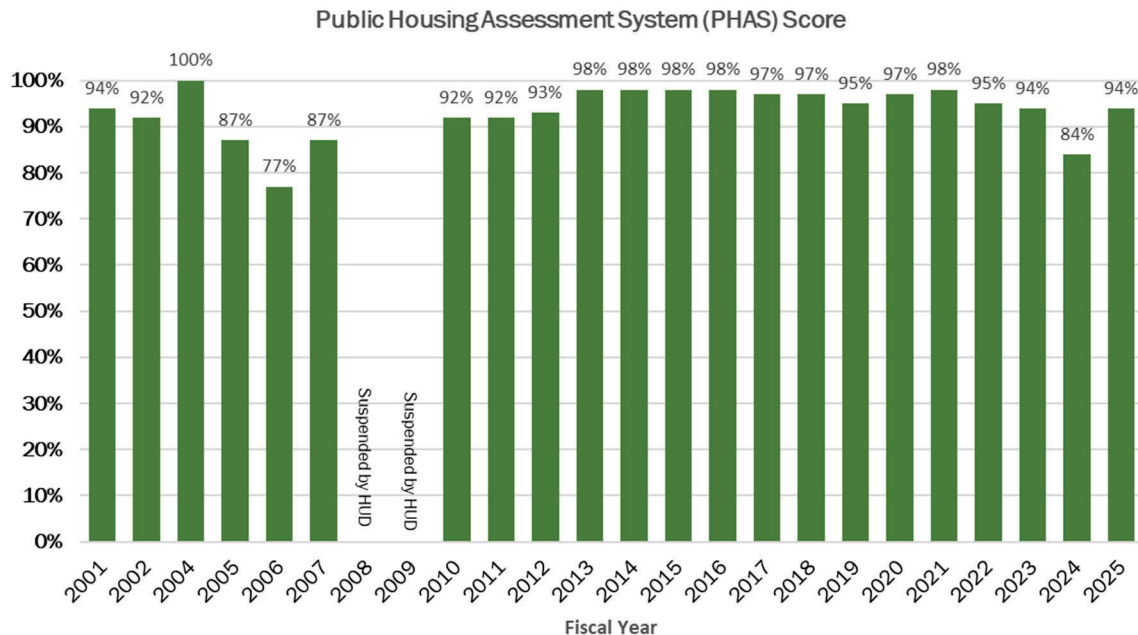
Target #2: Maintain a High Voucher Utilization rate



Analysis of results and challenges:

This assessment uses U.S. Department of Housing and Urban Development (HUD) criteria in measuring program management. HUDs assessment requires a 95% lease up rate. For the fiscal year 2025, lease up activity averaged 4,153 vouchers per month, which is over 93% of the HUD baseline of vouchers. Challenges with lease up were related to a very tight housing market with low vacancies.

Target #3: Maintain high performer percentages in AHFC owned and managed housing



***Methodology Note: FY2008-2009, PHAS was in transition and HUD suspended performance targets.*

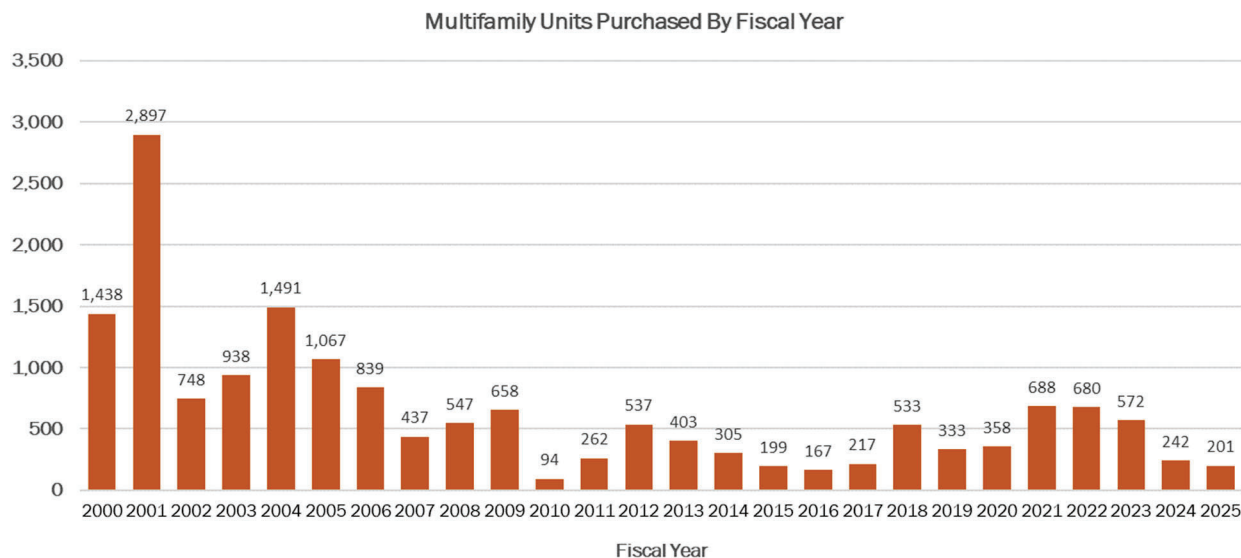
Analysis of results and challenges:

HUD uses performance measures to indicate the overall health of public housing. These measurements, when compared to specific HUD targets, provide an assessment of overall property management. In FY2025 AHFC PHD had a PHAS score of 94. This is an improvement of 10% over last year. Public housing is considered a high performer by HUD. Challenges with overall performance included a lack of available goods, decreased availability of contractors to complete work, and units facing significant damage beyond normal wear and tear.

Performance Measurement	HUD Targets	AHFC Performance
Occupancy Rate	97%	94%
Unit Turn Around Time	21 days	149 days
Maintenance Work Orders	25 days or less	24 days
Emergency Work Orders	100% within 25 days	100% within 25 days
Data Reporting to HUD	85%	100%

Core Service Result A1: Provide programs and service that are responsive to the diverse housing needs statewide

Target #1: Increase Multi-Family units

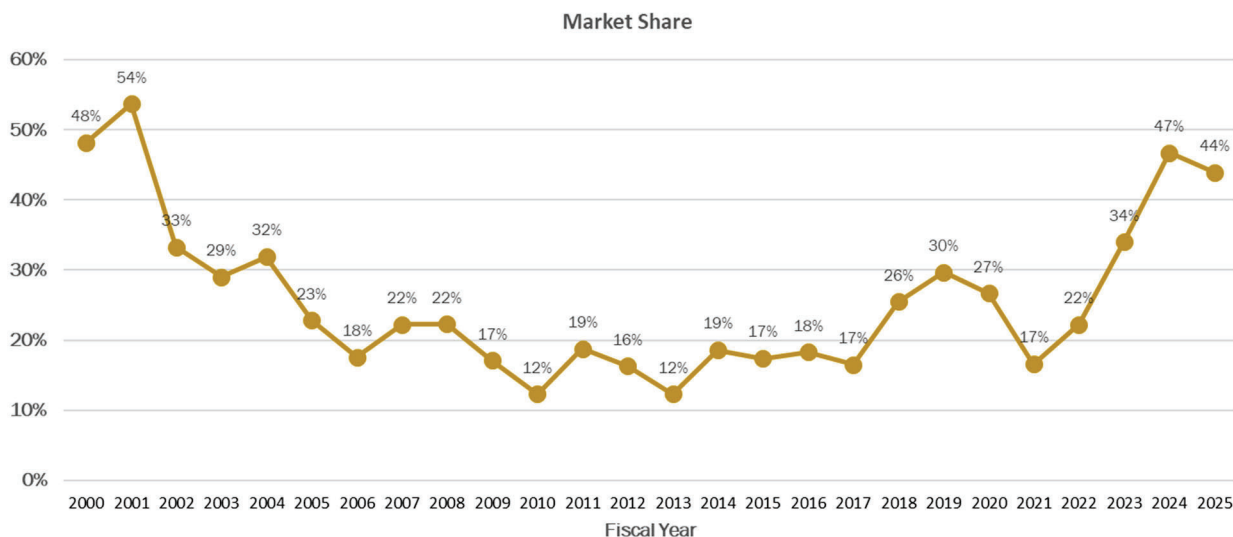


Analysis of results and challenges:

Affordable rental housing remains in demand and vacancy rates were down across the state. The production of multi-family housing activity is subject to interest rates, local economic conditions, and other volatile market factors. New construction across the state continues to face marginal feasibility due to high construction costs and the persistent gap between achievable rents and those required to support the high development costs.

Core Service Result A2: Increase and sustain homeownership

Target #1: Increase AHFC's market share



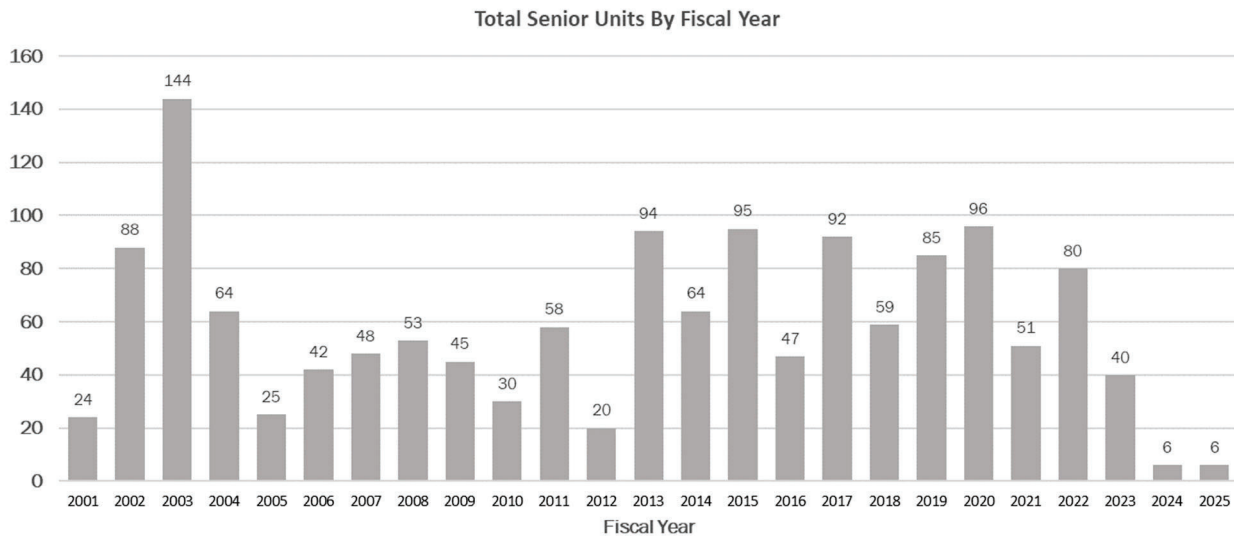
Analysis of results and challenges:

Market Share is a measure of the competitiveness of AHFC when compared to other financial investors that offer comparable products. The market share calculation is the percentage of new AHFC loans compared to the total number of new loans reported in the AHFC quarterly survey of Alaskan lenders, produced in collaboration with the Alaska Department of Labor. Overall market size and the AHFC Market share for the State Fiscal Year includes new loans for single-family, condominium, duplex, and triplex purchases. Refinances are not included in the calculation

The estimated total home purchases in the State of Alaska increased by 5% from FY2024 to FY2025. This is the first year of growth following three consecutive years of decline in the lending market. In FY2025 AHFC's market share decreased by 2.8 percentage points to 43.9%. AHFC's total loans purchased decreased by 1.2% from FY2024. The stabilization of interest rates may have let to private lenders better competing with AHFC's loan products. These are overall positive indicators with the total lending market rebounding and private lending potentially returning to its traditional share of the market.

Core Service Result A3: Core Service - Increase special-needs housing

Target #1: Increase Senior Housing units*



Analysis of results and challenges:

Senior housing remains a high priority for the Corporation. Nearly 161,000, or 22.0%, of Alaska's population is 60 years or older. Over 7,800 are 85 or older. While funding for senior housing has remained stable in recent years, the Alaska senior population continues to grow. Over the past five years, the 60 and over population in Alaska has grown by over 16.7%. Leading that growth are seniors 60+ residing in the Matanuska-Susitna Borough with an increase of 25.1% in the Borough since 2019. Also notable on the statewide level are the 40,522 Alaskans between the ages of 55-60 that meet the Federal Fair Housing Act Exemption for housing for older persons age 55 and above.

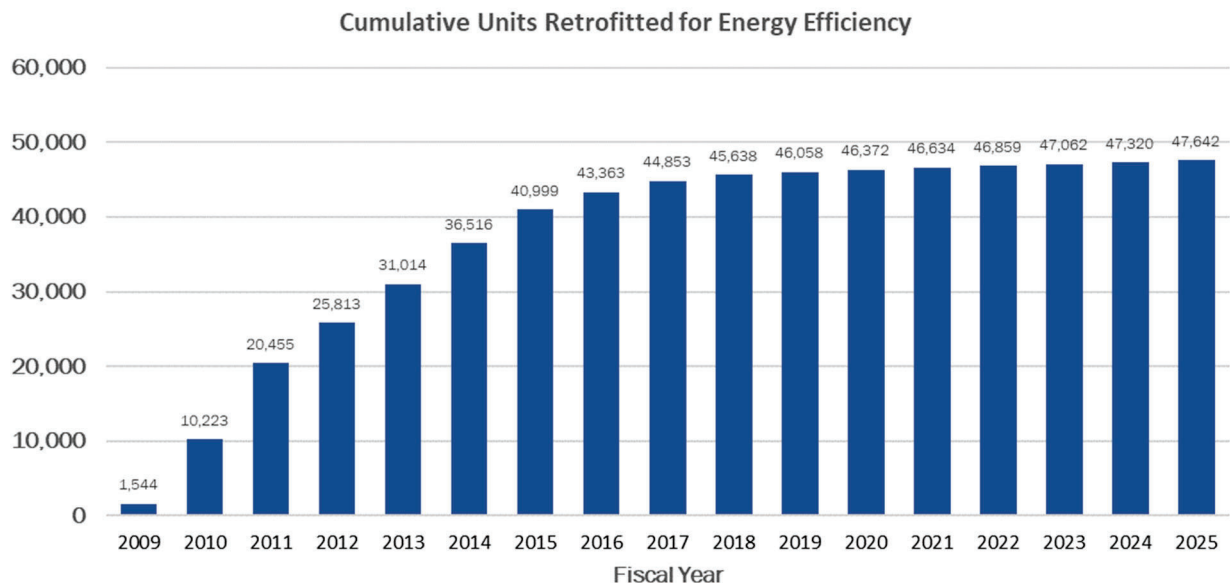
Renovating properties to allow for aging-in-place, through accessibility modification upgrades (loans or grants) may assist in relieving the overall demand for senior housing as demographics continue to grow. Encouraging Alaskans to complete home modifications, perhaps while they are still working and can more easily afford the repairs, will assist in assuring residents can remain in their homes and communities for as long as possible.

Note:

Unit data excludes AHFC mortgage data to assisted living properties as those developments report beds rather than units.

Mission Result B: Improve the Corporation's strength and ability to increase housing programs and service:

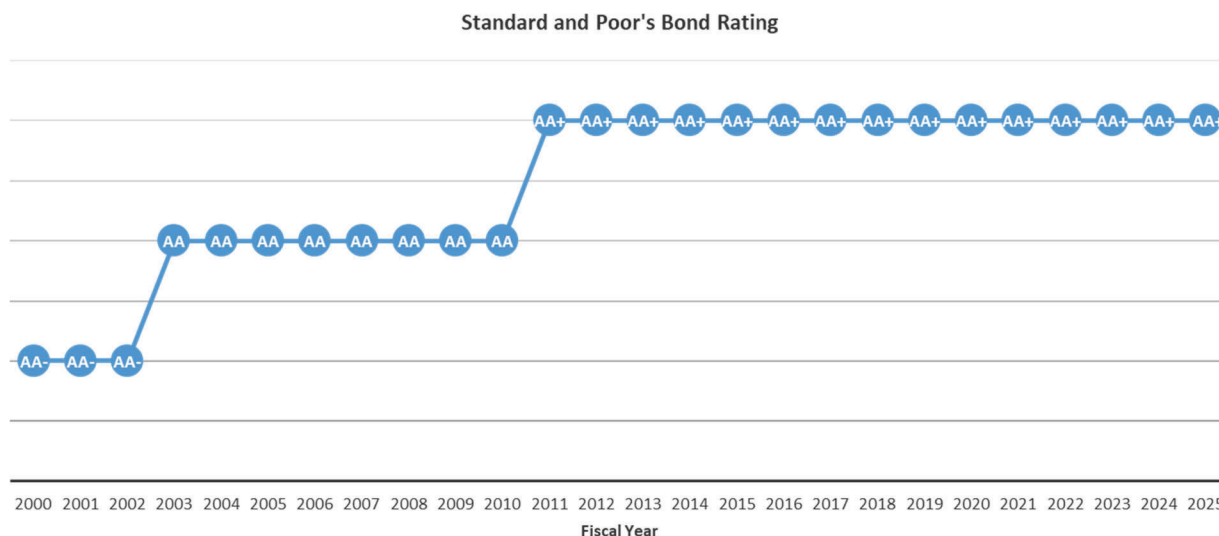
Target #1: Increase savings through energy efficiency programs



Analysis of results and challenges:

The Weatherization program improves the energy efficiency, health, and safety of housing for low to moderate income Alaskans. The Home Energy Rebate program, currently inactive, provided energy rebates to Alaskan homeowners for improving their home's energy-efficiency. Homes retrofitted under these two programs save occupants an average of 30 percent on energy costs. The 47,320 units, or 18.91% of eligible housing units retrofitted since 2008, have collectively saved an estimated annual 4.0MM BTUs (British Thermal Units).

Target #2: Maintain the AHFC general obligation credit rating.



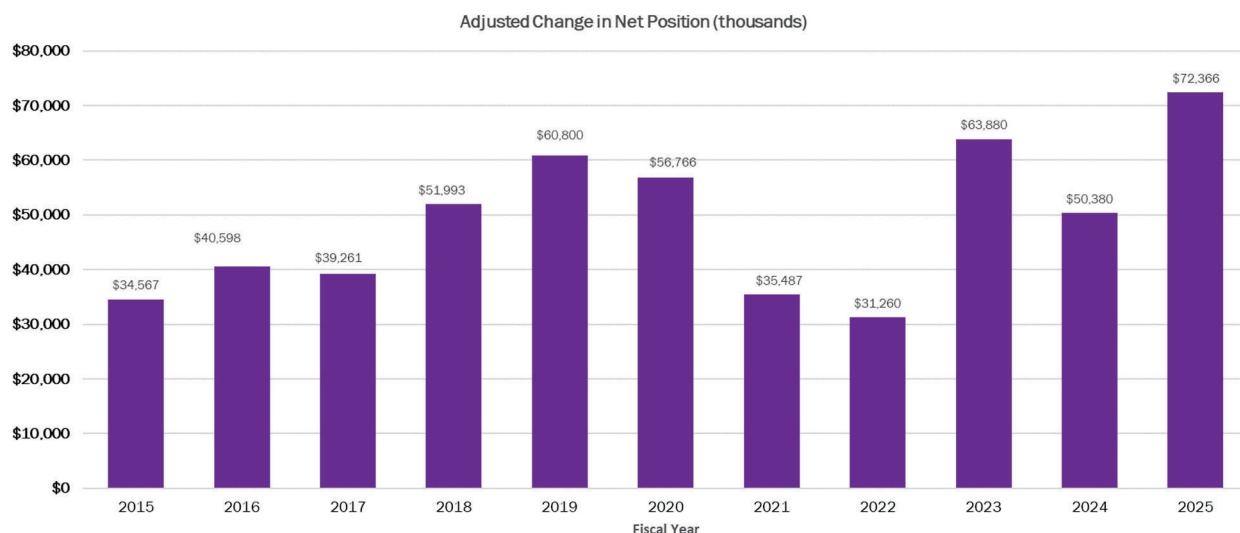
Analysis of results and challenges:

As of June 2024, S&P Global Ratings reaffirmed the AA+ issuer rating of the Corporation, based on the following:

1. Very strong capital adequacy analysis, specifically evidenced by a five-year average S&P Global Ratings-calculated net equity-to-total assets ratio for audited years 2019 through 2023 of 30.9%, which is above-average compared with that of peers and well in excess of criteria benchmarks;
2. Very large balance sheet consisting of \$4.30 billion in assets, approximately \$3.27 billion of which are high-performing mortgage loans with a very low average nonperforming asset (NPA) rate of less than 3.0% across the past five years and reaching a historical low of 1.1% in 2023;
3. Net interest margin (NIM) of 2% in fiscal 2023, calculated as interest income from loans and investments over average earning assets, reflecting the corporation's ability to generate strong profits on its loan and investment portfolios, well in excess of criteria benchmarks and when compared with those of peers;
4. Extremely strong financial position based on S&P Global Ratings-calculated equity, which excludes fair value reporting, of more than \$1.6 billion as of fiscal 2023, indicating the corporation's substantial resources available to sustain operations during difficult circumstances and to fund programs that further its mission of expanding housing affordability in the state; and,
5. Extremely strong management and legislative mandate assessment based on the corporation's track record of bipartisan and public support; experienced, proficient, and capable senior management and board; strong portfolio oversight and debt management; planning procedures and financial policies; and overall risk management.

Core Service Result B1: Manage finances to maximize Alaska Housing Finance Corporation's (AHFC) profits

Target #1: Maintain or increase Adjusted Change in Net Position



Analysis of results and challenges:

Total net position for AHFC in FY2025 was \$72,366. Adjusted Change in Net Position includes the operating income of the corporation adjusted for state transfers, state capital bond debt service, and capital project adjustments.

Alaska Housing Finance Corporation Key Challenges for FY2027

The National Housing Market Shows a Mixed Picture

Nationally, the housing market continues to show few signs of changes with flat sales and stagnant interest rates. A large number of homeowners have mortgages with very-low interest-rates, largely from the “pandemic era,” and are reluctant to sell their homes.

While there are signs that housing inventory is rising, years of significant price appreciation have reduced housing affordability. The National Association of Realtors expects housing prices to continue to rise, increasing by three percent in 2025. This factor, along with relatively high interest rates could impact affordability for low-to-moderate income households looking to buy a home.

For 2026, the National Association of Realtors expects housing prices to continue to rise by a median of four-percent. Sales of new homes are expected to grow by 5% and existing homes are expected to grow by 14%. These increases are forecasted based on an expectation that mortgage rates will decline to around 6%

Alaska’s Housing Situation Similar to the National Picture

While home prices are appreciating nationally at around three percent, they are growing at a slightly lower rate in Alaska, around 2.4%. According to the Alaska Housing Market Indicators (AHFC), the average sales price of a home grew from \$419,507 in the first quarter of 2024 to \$429,543. Home sales numbers also appears to be showing growth, around 7.5% when compared to the same quarter last year. It should be noted however, that these numbers reflect a time in which mortgage activity is typically at its lowest, so this may reflect an anomaly, rather than a trend. As the year nears completion, a clearer pattern may emerge with respect to this issue.

As reported for national housing markets, Alaska’s housing market is also seeing a trend where existing home sales are outpacing new sales. An overall decline in affordability is refocusing the market toward existing properties over newer ones. As home prices continue to appreciate and interest rates remain stable, this pattern will likely remain into the next year. If rates decline, as the National Association of Realtors has predicted, then mortgage activity may increase as overall affordability will improve for households looking to purchase a home.

Rental Market Remains Tight with Rising Rents

In 2024, according to the State of Alaska Department of Labor, the average cost of rent rose about five-percent from 2025. Post-pandemic, the market has shown higher than average annual increases in rent – up from the 15-year average of 3%. The market also remains tight with lower-than-average vacancy throughout Alaska. Availability and cost continue to impact rental unit affordability.

Rural Areas of the State Face Unique Housing Challenges

Rural areas of Alaska continue to face challenges with respect to affordability, supply, and quality of housing. Rural areas generally pay more for housing, particularly because of the higher cost of shipping materials and housing infrastructure development. Housing, when available, tends to be older and likely in need of renovation. Many Alaskan rural communities are in desperate need of housing. In certain rural communities, an absence of housing impairs the ability of the community to provide core services such as education, law enforcement, and health care. If there is no housing for rural workers, these services often cannot be provided. Rural professional housing development is a priority of Alaska Housing Finance Corporation. Through the Rural Professional Housing Program, Alaska Housing continues to fund the acquisition, rehabilitation, and new construction of rural housing.

Alaska Housing Finance Corporation Operational Challenges

- Managing claims and expenses associated with unanticipated events including fires, personal injury, property damage, litigation, and other losses;
- Maintaining institutional knowledge and operational continuity as a greater number of staff retire from the Corporation;
- Optimizing the use of available federal budget authority in a challenging economy with limited housing resources and increasing operating expenses;
- Stewardship of AHFC's corporate expenditures while continuing to provide a stable dividend amount to the State of Alaska;
- Managing the technological needs of the corporation, including software and hardware, as the cost of such commodities continues to increase by 20 – 30% annually;
- Remaining agile in light of rising interest rates; lack of housing inventory; and, increasing costs of building materials;
- Recruitment, retention, and training of staff in a tight labor market; and
- A statewide scarcity of affordable housing which negatively impacts lease up of the Corporation's housing choice voucher program.

Alaska Housing Finance Corporation FY2025 Major Accomplishments

FY2025 was an innovative year for the Corporation. AHFC was successful implementing a variety of new housing and energy programs, along with significant activity in providing and developing housing directly to Alaskans. Key accomplishments are noted below:

Alaska Sustainable Energy Corporation

On July 31, 2024 Governor Dunleavy signed into law House Bill 273 amending Alaska Statute 18.56.086(a) to authorize AHFC to create a subsidiary corporation for the purpose of financing or facilitating financing of “sustainable energy development.” ASEC was formally incorporated in 2025 and a Program Director was hired. Going forward, ASEC will look to harness federal funding opportunities to the benefits of Alaskans with a focus on partnering with private sector stakeholders and other public entities such as the Alaska Energy Authority to increase energy efficiency and resilience within the state.

Facility Management Maintenance Complex

Senate Bill 205 authorized AHFC to purchase a maintenance facility currently leased in the Municipality of Anchorage. In FY2025, AHFC purchased the 4700 Boniface Drive property for this purpose. The maintenance facility operates as a logistics and supply hub that AHFC can use to deploy and dispatch necessary appliances, fixtures, furniture, and maintenance services to AHFC’s public housing units located through fourteen Alaskan communities. This consolidation of goods and services will enable the Corporation to achieve economies of scale that will reduce cost and improve productivity.

Alaska Corporation for Affordable Housing Valdez Affordable Housing

In May, the Alaska Corporation for Affordable Housing broke ground on an affordable housing project in Valdez. The development consists of 20 affordable housing units. Buildings will be duplex-style, and contain nine one-bedroom, nine two-bedroom, and two three-bedroom units. The development was made possible by leveraging a variety of available funding sources, including local grant funds from the city of Valdez, the Low-Income Housing Tax Credit Program, HUD Public Housing Moving to Work Funds and loan financing. Construction is expected to be complete in early 2026.

Last Frontier Housing Initiative

The Last Frontier Housing Initiative, an expansion of AHFC’s successful Rural Professional Housing program, is designed to jumpstart housing development in Alaska’s hub communities with an initial capital commitment of \$25 million. The program began in FY2024. More than thirty-meetings were held with State of Alaska Commissioners and community partners. AHFC has traveled on site to Bethel, Kotzebue, Nome, Sitka, and Ketchikan. To date, construction is underway in the communities of Bethel (3 units), Saxman (14 units), and Sitka (10 units).

Other Notable Accomplishments in FY2025 include:

- Alaska Housing Finance Corporation’s FY2026 Capital Budget request, consisting of \$29.2 million in federal, \$37.7 million in corporate, and \$1.7 million in other funding was approved by the Alaska Legislature and enacted by the Governor;

- Purchased 1,690 loans, which provided over \$637.3 million for Alaskans to finance homes;
- Continued a multi-year trend of nationally low rates of delinquencies and foreclosures, with a 30-day delinquency rate of 2.40% as of September, 2025, and a foreclosure rate of .10%;
- Provided \$3.95 million in Congregate & Special Needs financing for two senior assisted living homes; 27 beds in Wasilla, and 16 beds in Anchorage;
- Provided servicing and income collection of 13,729 Master Serviced loans with total interest collected of \$135.3 million;
- Provided servicing and income collection of 1,939 Sub-Serviced loans with total interest collected of \$29.7 million;
- Housed over 10,000 Alaskans per night between AHFC's Public Housing and Voucher programs;
- Partnered with housing developers and providers statewide to add over 200 new units of rental assistance under the *Sponsor Based Rental Assistance* program in Anchorage, Fairbanks, Juneau, Ketchikan, Palmer and Wasilla;
- Created a training facility that provided support to 1,612 units of public housing in 13 communities throughout the state. This facility also serves as a shared space for staff training, meeting rooms, a resource facility and equipment and material staging and storage;
- Implemented AHFC's New Home Construction Rebate Program where new homebuyers are eligible for up to a \$10,000 rebate for purchase of energy-efficient new homes;
- AHFC's Rural Professional Housing Program hit the 20-year mark – the program has distributed more than \$112 million in grant funding for 139 rural housing projects that have built almost 600 units of housing; and,
- Provided energy rater training which resulted in 17 participants receiving recertification to perform Building Energy Efficiency Standard (BEES) ratings on homes. BEES ratings are required for buildings, built after 1992, financed through Alaska Housing Finance Corporation or other state agencies.

FY2027 Operating Budget Alaska Housing Finance Corporation Request Table Summary

Total Operating Budget – All Components (thousands)

	FY2026 Management Plan	FY2027 Request	
		Inc/Dec	Total
Budget Category	\$139,638.2	\$16,387.0	\$156,025.2
Capital Outlay	1,134.7	0.0	1,134.7
Commodities	3,098.9	0.0	3,098.9
Grants	53,248.7	14,800.0	68,048.7
Land/Buildings	0.0	0.0	0.0
Miscellaneous*	3,185.0	0.0	3,185.0
Personal Services	50,105.0	1,587.0	51,692.0
Services	28,290.6	0.0	28,290.6
Travel	575.3	0.0	575.3
Funding Receipts	\$139,638.2	\$16,387.0	\$156,025.2
AHFC Corporate	39,728.3	589.3	40,317.5
AHFC Corporate Dividend*	3,185.0	0.0	3,185.0
CIP	2,869.7	36.8	2,906.5
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - HUD	72,455.1	15,695.7	88,150.8
GF/MH	0.0	0.0	0.0
I/A Authority	797.3	0.0	797.3
MHTAAR	200.0	0.0	200.0
Unrestricted General Funds	402.8	65.3	468.1
Position Count	354	0	354
Full-Time PCN	318	0	318
Part-Time PCN	22	0	22
Seasonal PCN	14	0	14

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Operating Budget – AHFC Operations Component (110) (thousands)

	FY2026 Management Plan	FY2027 Request	
		Inc/Dec	Total
Budget Category	\$117,238.7	\$16,315.3	\$133,554.0
Capital Outlay	1,056.7	0.0	1,056.7
Commodities	3,015.4	0.0	3,015.4
Grants	33,248.7	14,800.0	48,048.7
Land/Buildings	0.0	0.0	0.0
Miscellaneous*	3,185.0	0.0	3,185.0
Personal Services	49,527.2	1,515.3	51,042.5
Services	26,658.7	0.0	26,658.7
Travel	547.0	0.0	547.0
Funding Receipts	\$117,238.7	\$16,315.3	\$133,554.0
AHFC Corporate	38,452.0	589.3	39,041.3
AHFC Corporate Dividend*	3,185.0	0.0	3,185.0
CIP	2,680.0	34.1	2,714.1
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	71,924.4	15,692.0	87,616.4
GF/MH	0.0	0.0	0.0
I/A Authority	797.3	0.0	797.3
MHTAAR	200.0	0.0	200.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	350	0	350
Full-Time PCN	314	0	314
Part-Time PCN	22	0	22
Seasonal PCN	14	0	14

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Operating Budget – ACAH Operations Component (3048) (thousands)

	FY2026 Management Plan	FY2027 Request	
		Inc/Dec	Total
Budget Category	\$520.4	\$6.4	\$526.8
Capital Outlay	15.0	0.0	15.0
Commodities	11.5	0.0	11.5
Grants	0.0	0.0	0.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous*	0.0	0.0	0.0
Personal Services	318.5	6.4	324.9
Services	150.6	0.0	150.6
Travel	24.8	0.0	24.8
Funding Receipts	\$520.4	\$6.4	\$526.8
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend*	0.0	0.0	0.0
CIP	189.7	2.6	192.3
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	330.7	3.7	334.4
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	2	0	2
Full-Time PCN	2	0	2
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Operating Budget – ASEC Operations Component (3520) (thousands)

	FY2026 Management Plan	FY2027 Request	
		Inc/Dec	Total
Budget Category	\$20,402.8	\$65.3	\$20,468.1
Capital Outlay	0.0	0.0	0.0
Commodities	1.8	0.0	1.8
Grants	20,000.0	0.0	20,000.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous*	0.0	0.0	0.0
Personal Services	259.3	65.3	324.6
Services	138.2	0.0	138.2
Travel	3.5	0.0	3.5
Funding Receipts	\$20,402.8	\$65.3	\$20,468.1
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend*	0.0	0.0	0.0
CIP	0.0	0.0	0.0
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - HUD	0.0	0.0	0.0
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Unrestricted General Funds	402.8	65.3	468.1
Position Count	2	0	2
Full-Time PCN	2	0	2
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Operating Budget – Facility Maintenance and Operations Component* (3522) (thousands)

	FY2026 Management Plan	FY2027 Request	
		Inc/Dec	Total
Budget Category	\$1,476.3	\$0.0	\$1,476.3
Capital Outlay	63.0	0.0	63.0
Commodities	70.2	0.0	70.2
Grants	0.0	0.0	0.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous**	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0
Services	1,343.1	0.0	1,343.1
Travel	0.0	0.0	0.0
Funding Receipts	\$1,476.3	\$0.0	\$1,476.3
AHFC Corporate	1,276.3	0.0	1,276.3
AHFC Corporate Dividend**	0.0	0.0	0.0
CIP	0.0	0.0	0.0
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	200.0	0.0	200.0
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	0	0	0
Full-Time PCN	0	0	0
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Legislative intent language passed in 2024 now requires AHFC to report non-dwelling budget items separately in the management plan. Item is a subcomponent of AHFC Operating Component (110).

** Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

FY2027 Operating Budget Alaska Housing Finance Corporation Request Narrative

FY2027 Governor's Proposed Budget

Partners in Achieving Results

Alaska Housing Finance Corporation (AHFC) collaborates with a multitude of entities, including commercial banks, real estate professionals, homebuilders, construction contractors; municipal, state and federal agencies, regional housing authorities and various nonprofit groups that deliver housing services.

AHFC Operations Component - Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2027

Grants:

The Housing Choice Voucher Program is a federal program that helps low-income families afford safe, decent, and sanitary housing. Housing Choice Vouchers allow qualified households to shop for a rental unit of their choosing. The tenant's pay a portion of the rent they can afford, typically around 30%, directly to their landlord. AHFC reimburses the landlord the remaining portion of the cost. AHFC administers over 5,000 housing choice vouchers throughout Alaska. AHFC has witnessed an increase in the cost of housing assistance disbursed through the Housing Choice Voucher Program. This cost is directly attributable to the rising cost of rents throughout the State of Alaska. AHFC is requesting a federal increment of \$14.8 million to cover the increase anticipated in FY2027.

Personal Services:

Senate Bill 259 authorized salary increments for the classified and partially-exempt state employees of the executive service not covered by collective-bargaining agreements. This legislation covers AHFC and its subsidiaries. The Corporation received funding increments necessary to implement the salary increases in FY2026. However, FY2027 includes an additional 2.5% cost of living increment and additional budget totaling \$1.02 million is necessary.

AHFC is requesting a \$500,000 personal services – federal operating increment to realign thirty-five current Housing Choice Voucher Program positions based on the growing statutory requirements of eighteen different housing choice voucher programs. Existing positions will be reclassified and job responsibilities will be expanded for program assistants, technicians, managers and supervisors. The requested amount of funding is to pay for the total anticipated cost of these reclassifications.

Major Change Funding Detail for FY2027

Change Request

<i>Funding Source:</i>	\$16,315,326
AHFC Corporate Receipts	589,250
CIP Receipts	34,123
Federal Receipts – HUD	15,691,953
 <i>Budget Category:</i>	 \$16,315,326
Grant Expenses	14,800,000
Personal Services	1,515,326

Current AHFC FY2026 Operations Component Authority	\$117,238,700
Proposed AHFC FY2027 Operations Component Authority	\$133,554,026

Alaska Corporation for Affordable Housing (ACAH) Component – Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2027

Personal Services:

To implement the FY2027 2.5% Cost of Living Increments outlined in Senate Bill 259, AHFC is requesting a Personal Services increment of \$6,372.

Major Change Funding Detail for FY2027

Change Request

<i>Funding Source:</i>	\$6,372
CIP Receipts	2,630
Federal Receipts	3,742
 <i>Budget Category:</i>	 \$6372
Personal Services	6,372

Current ACAH FY2026 Component Authority	\$520,400
Proposed ACAH FY2027 Component Authority	\$526,772

Alaska Sustainable Energy Corporation (ASEC) Component – Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2027

Personal Services:

To implement the FY2027 2.5% Cost of Living Increments outlined in Senate Bill 259, AHFC is requesting a Personal Services increment of \$5,316. The funding source is unrestricted general funds (UGF).

Last year, ASEC received a \$60,000 decrement in Personal Services. The intent of the decrement was to delay the hiring of a program assistant until the last six months of FY2026. ASEC intends to fill this position in the later-half of FY2026 and additional funding is necessary to fund the position in FY2027.

Major Change Funding Detail for FY2027

Change Request

<i>Funding Source:</i>	\$65,316
UGF	5,316

<i>Budget Category:</i>	\$65,316
Personal Services	65,316

Current ASEC FY2026 Component Authority	\$20,402,800
Proposed ASEC FY2027 Component Authority	\$20,468,116

AHFC Facility Maintenance Component - Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2027

No Changes

Major Change Funding Detail for FY2027

No Changes

Current AHFC FY2026 Facility Maintenance Component Authority	\$1,476,265
Proposed AHFC FY2027 Facility Maintenance Component Authority	\$1,476,265

FY2027 Operating Bill Draft Narrative Section (Legislative Language)

*** Sec. 6. ALASKA HOUSING FINANCE CORPORATION.**

- (a) The board of directors of the Alaska Housing Finance Corporation anticipates that \$54,275,000 of the adjusted change in net assets from the second preceding fiscal year will be available for appropriation for the fiscal year ending June 30, 2027.
- (b) The Alaska Housing Finance Corporation shall retain the amount set out in (a) of this section for the purpose of paying debt service for the fiscal year ending June 30, 2027, in the following estimated amounts:
 - (1) \$2,500,000 for debt service on the bonds authorized under sec. 4, ch. 120, SLA 2004.
- (c) After deductions for the items set out in (b) of this section and deductions for appropriations for operating and capital purposes are made, any remaining balance of the amount set out in (a) of this section for the fiscal year ending June 30, 2027, is appropriated to the unrestricted general fund.
- (d) All unrestricted mortgage loan interest payments, mortgage loan commitment fees, and other unrestricted receipts received by or accrued to the Alaska Housing Finance Corporation during the fiscal year ending June 30, 2027, and all income earned on assets of the corporation during that period are appropriated to the Alaska Housing Finance Corporation to hold as corporate receipts for the purposes described in AS 18.55 and AS 18.56. The corporation shall allocate its corporate receipts between the Alaska housing finance revolving fund (AS 18.56.082) and senior housing revolving fund (AS 18.56.710(a)) under procedures adopted by the board of directors.
- (e) The sum of \$800,000,000 is appropriated from the corporate receipts appropriated to the Alaska Housing Finance Corporation and allocated between the Alaska housing finance revolving fund (AS 18.56.082) and senior housing revolving fund (AS 18.56.710(a)) under (d) of this section to the Alaska Housing Finance Corporation for the fiscal year ending June 30, 2026, for housing loan programs not subsidized by the corporation.
- (f) The sum of \$30,000,000 is appropriated from the portion of the corporate receipts appropriated to the Alaska Housing Finance Corporation and allocated between the Alaska housing finance revolving fund (AS 18.56.082) and senior housing revolving fund (AS 18.56.710(a)) under (d) of this section that is derived from arbitrage earnings to the Alaska Housing Finance Corporation for the fiscal year ending June 30, 2027, for housing loan programs and projects subsidized by the corporation.

FY2026 Supplemental Operating Budget Alaska Housing Finance Corporation Request Table Summary

Total Supplemental Operating Budget – All Components (thousands)

	FY2026 Management Plan	FY2026 Supplemental	
		Inc/Dec	Total
Budget Category	\$139,638.2	\$15,300.0	\$154,938.2
Capital Outlay	1,134.7	0.0	1,134.7
Commodities	3,098.9	0.0	3,098.9
Grants	53,248.7	14,800.0	68,048.7
Land/Buildings	0.0	0.0	0.0
Miscellaneous	3,185.0	0.0	3,185.0
Personal Services	50,105.0	500.0	50,605.0
Services	28,290.6	0.0	28,290.6
Travel	575.3	0.0	575.3
Funding Receipts	\$139,638.2	\$15,300.0	\$154,938.2
AHFC Corporate	39,728.3	0.0	39,728.3
AHFC Corporate Dividend	3,185.0	0.0	3,185.0
CIP	2,869.7	0.0	2,869.7
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - HUD	72,455.1	15,300.0	87,755.1
GF/MH	0.0	0.0	0.0
I/A Authority	797.3	0.0	797.3
MHTAAR	200.0	0.0	200.0
Unrestricted General Funds	402.8	0.0	402.8
Position Count	354	0	354
Full-Time PCN	318	0	318
Part-Time PCN	22	0	22
Seasonal PCN	14	0	14

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Supplemental Operating Budget – AHFC Operations Component (110) (thousands)

	FY2026 Management Plan	FY2026 Supplemental	
		Inc/Dec	Total
Budget Category	\$117,238.7	\$15,300.0	\$132,538.7
Capital Outlay	1,056.7	0.0	1,056.7
Commodities	3,015.4	0.0	3,015.4
Grants	33,248.7	14,800.0	48,048.7
Land/Buildings	0.0	0.0	0.0
Miscellaneous	3,185.0	0.0	3,185.0
Personal Services	49,527.2	500.0	50,027.2
Services	26,658.7	0.0	26,658.7
Travel	547.0	0.0	547.0
Funding Receipts	\$117,238.7	\$15,300.0	\$132,538.7
AHFC Corporate	38,452.0	0.0	38,452.0
AHFC Corporate Dividend	3,185.0	0.0	3,185.0
CIP	2,680.0	0.0	2,680.0
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	71,924.4	15,300.0	87,224.4
GF/MH	0.0	0.0	0.0
I/A Authority	797.3	0.0	797.3
MHTAAR	200.0	0.0	200.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	350	0	350
Full-Time PCN	314	0	314
Part-Time PCN	22	0	22
Seasonal PCN	14	0	14

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Supplemental Operating Budget – ACAH Operations Component (3048) (thousands)

	FY2026 Management Plan	FY2026 Supplemental	
		Inc/Dec	Total
Budget Category	\$520.4	\$0.0	\$520.4
Capital Outlay	15.0	0.0	15.0
Commodities	11.5	0.0	11.5
Grants	0.0	0.0	0.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0
Personal Services	318.5	0.0	318.5
Services	150.6	0.0	150.6
Travel	24.8	0.0	24.8
Funding Receipts	\$520.4	\$0.0	\$520.4
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend	0.0	0.0	0.0
CIP	189.7	0.0	189.7
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	330.7	0.0	330.7
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	2	0	2
Full-Time PCN	2	0	2
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

Total Supplemental Operating Budget – ASEC Operations Component (3520) (thousands)

	FY2026 Management Plan	FY2026 Supplemental	
		Inc/Dec	Total
Budget Category	\$20,402.8	\$0.0	\$20,402.8
Capital Outlay	0.0	0.0	0.0
Commodities	1.8	0.0	1.8
Grants	20,000.0	0.0	20,000.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0
Personal Services	259.3	0.0	259.3
Services	138.2	0.0	138.2
Travel	3.5	0.0	3.5
Funding Receipts	\$20,402.8	\$0.0	\$20,402.8
AHFC Corporate	0.0	0.0	0.0
AHFC Corporate Dividend	0.0	0.0	0.0
CIP	0.0	0.0	0.0
Federal Receipts - ASEC	20,000.0	0.0	20,000.0
Federal Receipts - HUD	0.0	0.0	0.0
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Unrestricted General Funds	402.8	0.0	402.8
Position Count	2	0	2
Full-Time PCN	2	0	2
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

**Total Supplemental Operating Budget – Facility Maintenance and Operations
Component* (3522) (thousands)**

	FY2026 Management Plan	FY2026 Supplemental	
		Inc/Dec	Total
Budget Category	\$1,476.3	\$0.0	\$1,476.3
Capital Outlay	63.0	0.0	63.0
Commodities	70.2	0.0	70.2
Grants	0.0	0.0	0.0
Land/Buildings	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0
Personal Services	0.0	0.0	0.0
Services	1,343.1	0.0	1,343.1
Travel	0.0	0.0	0.0
Funding Receipts	\$1,476.3	\$0.0	\$1,476.3
AHFC Corporate	1,276.3	0.0	1,276.3
AHFC Corporate Dividend	0.0	0.0	0.0
CIP	0.0	0.0	0.0
Federal Receipts - COVID	0.0	0.0	0.0
Federal Receipts - ASEC	0.0	0.0	0.0
Federal Receipts - HUD	200.0	0.0	200.0
GF/MH	0.0	0.0	0.0
I/A Authority	0.0	0.0	0.0
MHTAAR	0.0	0.0	0.0
Statutory Designated Prgrm	0.0	0.0	0.0
Unrestricted General Funds	0.0	0.0	0.0
Position Count	0	0	0
Full-Time PCN	0	0	0
Part-Time PCN	0	0	0
Seasonal PCN	0	0	0

* Legislative intent language passed in 2024 now requires AHFC to report non-dwelling budget items separately in the management plan. Item is a subcomponent of AHFC Operating Component (110).

** Starting in 2025, Legislative Finance now reports AHFC Bond Debt in the Management Plan under Budget Category Miscellaneous and Funding Source AHFC Corporate Dividend.

FY2026 Supplemental Operating Budget Alaska Housing Finance Corporation Narrative

FY2026 Supplemental Governor's Proposed Budget

AHFC Operations Component - Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2026

Grants:

The Housing Choice Voucher Program is a federal program that helps low-income families afford safe, decent, and sanitary housing. Housing Choice Vouchers allow qualified households to shop for a rental unit of their choosing. The tenant's pay a portion of the rent they can afford, typically around 30%, directly to their landlord. AHFC reimburses the landlord the remaining portion of the cost. AHFC administers over 5,000 housing choice vouchers throughout Alaska. AHFC has witnessed an increase in the cost of housing assistance disbursed through the Housing Choice Voucher Program. This cost is directly attributable to the rising cost of rents throughout the State of Alaska. AHFC is requesting a federal increment of \$14.8 million to cover the increase anticipated in FY2026.

Salary and Benefits:

AHFC is requesting a \$500,000 personal services – federal operating increment to realign thirty-five current Housing Choice Voucher Program positions based on the growing statutory requirements of eighteen different housing choice voucher programs. Existing positions will be reclassified and job responsibilities will be expanded for program assistants, technicians, managers and supervisors. The requested amount of funding is to pay for the total anticipated cost of these reclassifications.

Major Change Funding Detail for FY2026

Increment Request

<i>Funding Source:</i>	\$15,300,000
Federal Receipts	15,300,000
 <i>Budget Category:</i>	 \$15,300,000
Grant Expense	14,800,000
Personal Services Expense	500,000

Current AHFC FY2026 Operations Comp. Authority	\$117,238,700
Proposed Supplemental AHFC FY2026 Operations Comp. Authority	\$132,538,700

Alaska Corporation for Affordable Housing (ACAH) Component – Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2026

No Changes

Major Change Funding Detail for FY2026

No Changes

Current ACAH FY2026 Component Authority	\$520,400
Proposed ACAH FY2026 Component Authority	\$520,400

Alaska Sustainable Energy Corporation (ASEC) Component – Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2026

No Changes

Major Change Funding Detail for FY2026

No Changes

Current ASEC FY2026 Component Authority	\$20,402,800
Proposed ASEC FY2026 Component Authority	\$20,402,800

AHFC Facility Maintenance Component - Changes from FY2026 Management Plan

Significant Changes in Results Delivered in FY2026

No Changes

Major Change Funding Detail for FY2026

No Changes

Current AHFC FY2026 Facility Maintenance Component Authority	\$1,476,000
Proposed AHFC FY2026 Facility Maintenance Component Authority	\$1,476,000

FY2027
Capital Budget Request
Project Detail
(Listed in Priority Order)

Capital Projects & Program Synopsis

The Capital Budget is a plan for the distribution of Alaska Housing Finance Corporation's financial resources for items that have an anticipated life exceeding one year and a cost exceeding \$25,000. Unlike the operating budget that generally lapses funds at the end of one year, capital budget appropriations lapse only if funds remain after the project is completed and/or if funds are lapsed administratively or legislatively, usually after five or more years. The FY2027 AHFC Capital Budget, recommended for inclusion in the Governor's budget submission to the Legislature, is as follows:

1. **Rental Assistance for Persons Displaced due to Domestic Violence - Empowering Choice Housing Program (ECHP) – \$1,500,000** in AHFC Corporate Dividends for referral-based, transitional rental assistance for families displaced due to domestic violence or sexual assault.
2. **Housing Loan Program – Rural Professional Housing – \$11,5500,000** including \$10,5500,000 in AHFC Corporate Dividends, \$500,000 in federal receipt authority, and \$500,000 in statutory designated program receipt authority for programs that helps recruit and retain essential professionals in Alaska's small communities.
3. **Affordable Housing Development Program – \$15,000,000** in federal receipt authority for development of affordable housing units through the Alaska Corporation for Affordable Housing.
4. **Building Science and Energy Efficiency Activities – \$500,000** in AHFC Corporate Dividends for housing construction, energy-efficiency analysis, and information dissemination among the housing industry and the public.
5. **Senior Citizens Housing Development Program –\$4,000,000** in AHFC Corporate Dividends for competitive grants that fund senior housing development activities, including acquisition, construction, and rehabilitation of existing housing.
6. **HUD Federal HOME Grant Program – \$4,750,000** including \$4,000,000 in federal (HUD) and \$750,000 in AHFC Corporate Dividends as matching funds for the Department of Housing and Urban Development's *HOME Investment Partnership Program* (HOME).
7. **HUD Capital Fund Program – \$3,750,000** in federal (HUD) CFP grants to help build, operate, maintain, renovate or modernize public housing units.
8. **Federal and Other Competitive Grants – \$7,500,000** including \$6,000,000 federal (HUD, USDA, DOE), and \$1,500,000 in AHFC Corporate Dividends for matching available housing grants from the federal government, private institutions, or foundations that target housing needs of low-income families, trafficking victims, special needs groups, senior citizens, those with mental illness, disabilities, are homeless, and others.

9. **Competitive Grants for Public Housing – \$1,350,000** including \$1,00,000 in federal (HUD, USDA, DOE), or other private funds, and \$350,000 in AHFC Corporate Dividends for matching grant funds for public housing facility and resident activities.
10. **Supplemental Housing Development Program – \$4,000,000** in AHFC Corporate Dividends to supplement Federal (HUD) funds to construct decent, safe and sanitary housing through regional housing authorities.
11. **AHFC's Energy Programs Weatherization – \$6,000,000**, including \$3,000,000 in federal (DOE) funds and \$3,000,000 in AHFC Corporate Dividends to assist low- and moderate-income families in attaining decent, safe, affordable, energy-efficient, and affordable housing through the weatherization and rehabilitation of existing homes.
12. **Alaska Sustainable Energy Corporation Federal and Other Grants - \$35,000.000**, including \$30 million in federal receipt authority and \$5 million in statutory designated program receipt authority for federal agency funding and private grants that result in low-cost financing for sustainable energy and energy efficiency projects in Alaska
13. **Statewide Housing Development Fund - \$4,000,000** in AHFC Corporate Dividends to leverage cross agency resources and private equity for construction, site preparation and related infrastructure development that facilitates production of housing.

*****Mental Health Bill *****

1. **Homeless Assistance Program – \$10,150,000**, including \$950,000 in Mental Health Trust Authority (MHTAAR) funds, \$2,850,000 in State MH/GF funds, and \$6,350,000 in AHFC Corporate Dividends for community/agency grants that provide shelter for those experiencing homeless, provide assistance to households transitioning from homelessness to permanent housing, and help develop community strategies and programs to reduce homelessness.
2. **Beneficiary & Special Needs Housing – \$3,700,000** including \$1,750,000 in AHFC Corporate Dividends, \$1,750,000 in State MH/GF Funds and \$200,000 in Mental Health Trust Authority (MHTAAR) for grants to Alaskan nonprofit service providers to increase housing opportunities for Mental Health Trust beneficiaries and other special needs populations throughout the state.
3. **Rural Housing Coordinator – New Region (Ketchikan) - \$135,000** in Mental Health Trust Fund Authority (MHTAAR) to fund a Rural Housing Coordinator position in the Ketchikan Gateway Borough to address homelessness, alleviate overcrowding, reduce substandard housing, and increase affordable housing.

FY2027
Capital Budget Request
Project Detail

1. Rental Assistance for Persons Displaced Due to Domestic Violence – Empowering Choice Housing Program

Reference Number: #60777
Historical Category: Health/Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Request: \$1,500,000 AHFC Corporate Dividend Receipts

Brief Summary and Statement of Need

The Empowering Choice Housing Program is a referral-based transitional housing assistance program designed to serve the housing needs of victims of domestic violence, sexual assault, dating violence, and stalking.

Program Description/Justification

ECHP provides transitional rental assistance to families displaced due to domestic violence or sexual assault. AHFC administers program funds through the same mechanism and locations as the federal (HUD) Housing Choice Voucher program.

Program management of ECHP includes, but is not limited to:

- 1) Working directly with landlords to set up housing assistance payments for participating families;
- 2) Monitoring the number of vouchers issued in each participating community;
- 3) Tracking the number of vouchers in shopping status, leased or available; and,
- 4) Adjusting housing assistance payments for each participating community and their respective rental markets.

AHFC administers the program in partnership with the Alaska Network on Domestic Violence and Sexual Assault and the Council on Domestic Violence and Sexual Assault. ANDVSA represents direct service programs and refers families to AHFC. ANDVSA implements, maintains, and monitors Domestic Violence and Sexual Assault crisis intervention and prevention programs. ANDVSA-approved programs also refer program participants to AHFC.

Projected Outcomes

- Rental assistance for up to 255 households statewide, displaced from permanent housing or otherwise at risk of displacement because of a recent or reoccurring instance of domestic violence as defined by Alaska Statute, Section 18.66.990(3); and,
- Housing stability for families occupying shelters, families living in abusive households, and families living in places not meant for habitation.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P8, L5 SB57	\$1,500,000
FY2025	Sec1, Ch 8, SLA2024, P16, L12, SB187	\$1,500,000
FY2024	Sec14, Ch1, SLA2023, P93, L3, HB39	\$1,500,000
FY2023	Sec11, Ch1, SLA2022, P92, L28, HB281	\$1,500,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1139	\$1,500,000	500,000	500,000	500,000	0	0

2. Rural Professional Housing Program (Formerly Housing Loan Program - Teacher/Health/Public Safety Housing)

Reference Number: #49395
Historical Category: Development
Location: Statewide
Election District: Statewide
Project Type: Economic Assistance
Estimated Project Dates: 7/01/2026 - 6/30/2031

(This is an allocation under the Housing Loan Program)

<u>FY2027 Requested:</u>	\$500,000	Federal Receipts
	\$500,000	Statutory Designated Program Receipts
	\$10,550,000	AHFC Corporate Dividend Receipts

Brief Summary and Statement of Need

This program helps recruit and retain essential professionals in Alaska's small communities by providing gap funding to increase rental units.

Program Description/Justification

Attracting and maintaining a pool of essential professionals in rural Alaska is a goal of the State of Alaska. To achieve this, housing must be available, affordable, and of a quality that encourages these professionals to locate and stay in rural settings.

The Rural Professional Housing program responds to the need for housing for rural professionals and their families by providing grants through two methods:

- 1) a statewide competitive process that runs annually for new construction, rehabilitation and acquisition of housing for rural professionals; and,
- 2) a cooperative allocation process, known as the Last Frontier Housing Initiative, to / for designated communities to facilitate housing development for state workers.

Projected Outcomes

- Leveraging federal and other sources of funding to match the AHFC corporate dividend for the construction of professional housing in Alaska's small communities.
- Improving building cost efficiencies by leveraging existing development activities with planned housing developments.
- Increasing recruitment and retention of essential services staff for rural communities through localized housing developments; and,
- New housing in at least six to eight rural Alaskan communities for rural professionals.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P8, L9 SB57	\$11,550,000
FY2025	Sec1, Ch8, SLA2024, P16, L16, SB187	\$14,500,000
FY2024	Sec 14, Ch1, SLA2023, P93, L11, HB39	\$7,250,000
FY2023	Sec 11, Ch1, SLA2022, P93, L3, HB281	\$21,250,000

Proposed Spending Plan - FY2027 Appropriation

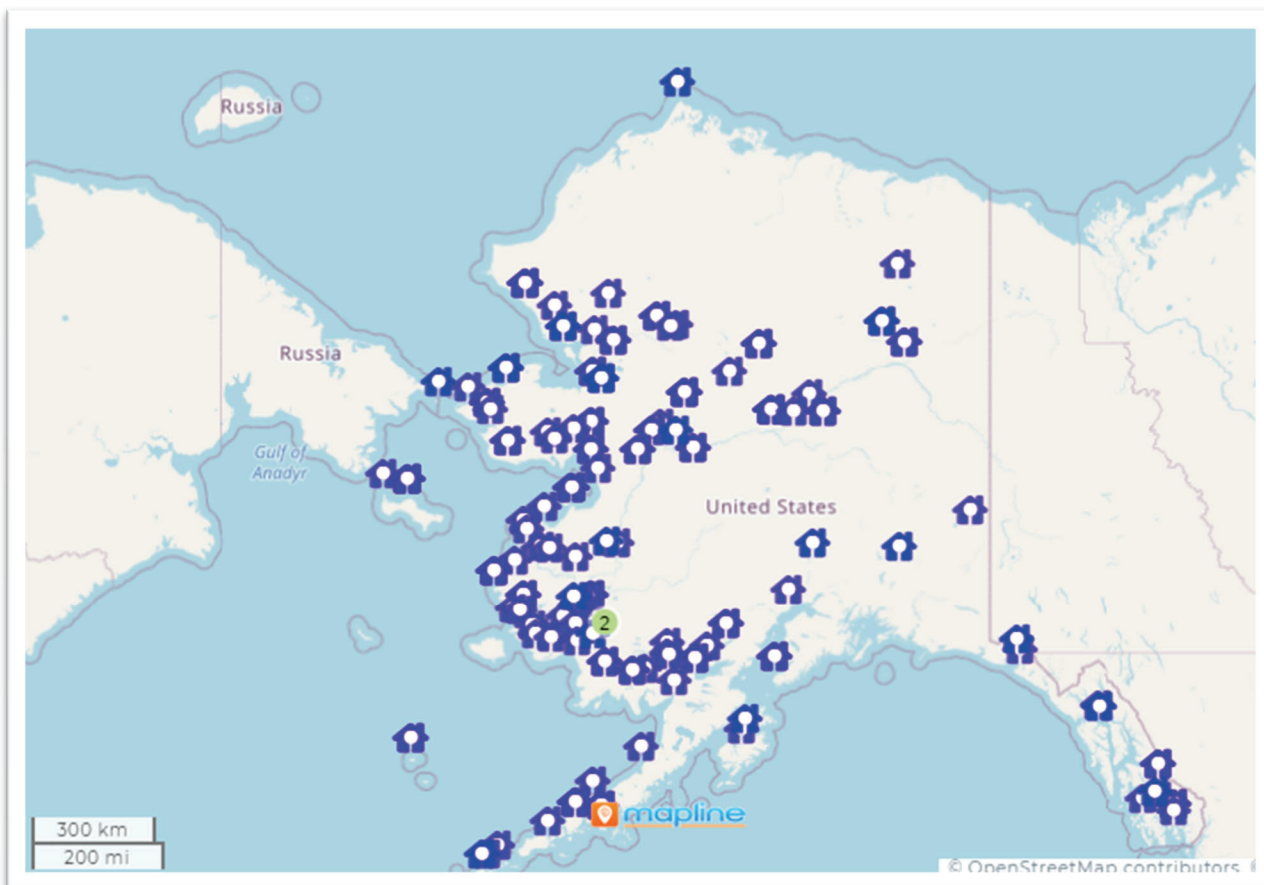
Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$500,000	250,000	250,000	0	0	0
1108	\$500,000	250,000	250,000	0	0	0
1139	\$10,550,000	5,000,000	3,000,000	2,000,000	550,000	0

Summary of FY2025 Awards

Location	Tenants	Grantee	Funds Awarded	Total Units
Nome	State Employees	Bering Straits Regional Housing Authority	\$3,000,000	6
Tooksook Bay	Teachers, Health Care, Public Safety	Rural Cap	\$520,000	1
Minto	Teachers	Yukon Koyukuk School District	\$700,000	2
Fort Yukon	Public Safety	Native Village of Fort	\$700,000	2
Shageluk	Teachers, Health Care, Public Safety	Shageluk City Council	\$700,000	3
Galena	Teachers	Louden Tribe	\$700,000	1
Naknek	Teachers, Health Care, Public Safety	Bristol Bay Borough School District	\$700,000	4
Tok	Health Care, Public Safety	Tanana Chiefs Conference	\$700,000	4
Noatak	Teachers	Northwest Arctic Borough School District	\$700,000	2
Noatak	Teachers	Northwest Arctic Borough School District	\$595,750	2
Total:			\$9,015,750	27

Recent Highlights & Accomplishments

Since inception, the Rural Profession Housing Program (formerly known as the Teacher, Health Professional and Public Safety Housing program) has funded 157 projects that have delivered over 592 new units of essential professional housing:



3. Affordable Housing Development Program

Reference Number: #48811
Historical Category: Development
Location: Statewide
Election District: Statewide
Project Type: Construction
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$15,000,000 Federal Receipts

Brief Summary and Statement of Need

Federal and statutory designated program receipts for development of affordable housing units, statewide, through the Alaska Corporation for Affordable Housing (ACAH).

Program Description/Justification

This program allows the Alaska Corporation for Affordable Housing (ACAH) to continue the development of additional affordable housing units throughout the State of Alaska. The program leverages a variety of available funding sources, including the Low-Income Housing Tax Credit Program, HUD Public Housing Funds (Including the Capital Fund Program and Moving to Work Funding), loan financing, and other private resources.

Under the program, ACAH advances projects through a competitive bidding process, selecting development teams with experience in multi-family development, low-income housing tax credits, and complex multi-layered financing. Private entities construct the affordable housing units and ACAH acts as general partner in a limited partnership. ACAH maintains the completed housing units as affordable housing, low-income housing tax credit units, or public housing. A contracted property management firm provides operation and maintenance of the housing units.

This request will help provide financial leveraging for approximately 50-75 units of newly constructed affordable housing units, depending on the building locations within the state.

Projected Outcomes

- 20-50 new units of housing;
- New housing development/redevelopment partnerships;
- Revitalization and improvement of local neighborhoods;
- Increase in inventory of housing units affordable for low-to-moderate income households;
- Reduction in number of households who are severely cost-burdened (pay more than 50% of their household income toward rent).

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P7, L24 SB57	\$11,000,000
FY2024	Sec14, Ch39 SLA2024, P92, L20, B39	\$11,000,000
FY2016	Sec1, Ch38 SLA2015, P6, L12, CSSB26	\$22,400,000
FY2014	Sec4 Ch16 SLA2013 P106 L8 SB18	\$25,200,000

Proposed Spending Plan – FY2026 Appropriation

Fund Source	Total	Fiscal Year				
		2027	2028	2029	2030	2031
1002	\$15,000,000	10,00,000	4,000,000	1,000,000	0	0

Recent Highlights & Accomplishments

Construction began of a development of 20 affordable housing units in the city of Valdez in May 2025. Buildings will be duplex-style, and contain nine one-bedroom, nine two-bedroom, and two three-bedroom units. The development was made possible by leveraging a variety of available funding sources, including local grant funds from the city of Valdez, the Low-Income Housing Tax Credit Program, HUD Public Housing Moving to Work Funds and loan financing. Construction is expected to be complete in early 2026.



Construction of a scattered site development of 58 affordable housing units in the city of Fairbanks was fully completed in February 2025. The development was made possible by leveraging a variety of available funding sources, including the Low-Income Housing Tax Credit Program, HUD Public Housing Moving to Work Funds, loan financing, and other private resources.

- The Meadows is comprised of 18 single bedroom, accessible units for seniors and remains fully occupied



- Borealis Park is comprised of the remaining 40 units spread across seven buildings. There are single-bedroom, two-bedroom, and three-bedroom units which are fully occupied. The site includes an onsite office and playground.



4. Building Science and Energy Efficiency Activities

Reference Number: #6351
Historical Category: Development
Location: Statewide
Election District: Statewide
Project Type: Energy
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$500,000 AHFC Corporate Dividend Receipts

Brief Summary and Statement of Need

Building science and energy efficiency activities are needed to research, develop and deliver education, curate and deploy training, implement workforce development programs, and advance the knowledge base of audiences related to best practices in building science, energy efficiency, and cold-climate construction. Without a continued investment in research of cold-climate construction best practices and the education of housing industry stakeholders on those best practices, new housing in Alaska may not be appropriately built and existing housing may not be adequately repaired to withstand climate conditions causing negative financial, health, and safety outcomes for occupants. Appropriate, abundant housing is lacking in many areas of Alaska. A lack of investment in building science and energy efficiency activities will exacerbate Alaska's housing problems.

Program Description/Justification

Nearly each state fiscal year for the last two decades, AHFC received a capital appropriation for energy efficiency research. The intent of this appropriation was to support the Cold Climate Housing Research Center's (CCHRC) initiatives related to researching advanced cold-climate construction techniques. Today, the CCHRC is less focused on research and more focused on sharing innovative, resilient housing solutions. This transition is primarily due to the National Renewable Energy Laboratory (NREL) establishing a campus in Fairbanks, Alaska. Researchers at Alaska's NREL campus focus on the built environment including conducting building science research, design, and social and economic research. While some overlap exists between their missions and purpose, their activities are mostly separated between CCHRC's education and outreach activities and NREL's research.

While AHFC's partner organizations may have changed, the need for a continued investment in building science and energy efficiency activities has not. AHFC intends to utilize grant funds for the research and dissemination of information related to cold-climate building construction techniques, implementation of healthy home technologies, and research of best practices for advanced building technologies that improve housing outcomes. Investment results will also inform the operation and improvement of a variety of programs operated by the State of Alaska and AHFC.

Implementation of the building science and energy efficiency activity funding will be deployed in a variety of ways. Recently, AHFC qualified three nonprofit partners through a comprehensive procurement that attracted not only CCHRC and NREL, but the Renewable Energy Alaska Project (REAP). The qualified partners are positioned to receive funding from AHFC to further

AHFC's statutory mission of providing technical and advisory services to sponsors, builders, and developers of residential housing and to residents of it (AS 18.56.090(14)) and promote research and development in scientific methods of constructing low-cost and energy-efficient residential housing of high quality (AS 18.56.090(15)). In addition to the qualified partners, AHFC intends to award contracts to qualified entities who have the experience and capacity to perform a variety of services that will help AHFC achieve its mission.

The results of the initiatives sponsored with the building science and energy efficiency activity program funding will inform implementation and management of AHFC programs like the Weatherization Program and Energy Efficiency Interest Rate Reduction Program. The investments will also support development of AHFC's building and energy codes as well as AHFC's responsibility to implement the Home Energy Rating System, which includes energy rater, inspector, and energy modeling software oversight. The results from this investment are vital to AHFC ensuring safe, quality, and affordable housing in Alaska.

AHFC intends to utilize the building science and energy efficiency activity funding to support several initiatives during FY27. The following initiatives may include:

- Development of a software platform and database that displays AHFC and partner statewide energy program incentives and allows program eligibility checkers and full application intake;
- Research of insulation boards made of wood fiber bound by mycelium, the root-like tendrils of fungus, that may improve the performance of home insulation;
- Promote manufactured 3D printed housing feasibility studies, demonstrations projects, and comprehensive post-construction analysis research that may lead to more cost-effective housing;
- Sponsor a statewide housing conference targeted toward professionals designing, building, and advocating for energy-efficient buildings;
- Collaborate with Alaska housing manufacturers to prototype and test modular building systems designed specifically for remote regions facing logistical barriers and harsh climates;
- Support the dissemination of educational videos that convey cold-climate construction techniques and best practices;
- Research housing data trends and other nuances of Alaska's housing need;
- Sponsor education classes that empower individuals to build their own home through a series of in-person and online training sessions; and
- Conduct economic research and analysis that investigates the cost to build high-performing, energy-efficient housing and housing built to the latest model building codes.

Overall Projected Outcomes

- Research and analysis of cold climate construction best practices and techniques;
- Data collection on energy-efficient design of homes in Alaska's diverse climates;
- Resources on energy efficiency features and their impact on home-energy consumption, comfort levels, durability, occupant health, and household economics;
- Communication of advanced building science principles to a variety of audiences that improve housing standards and resilience;
- Programs that train professionals in cold climate building practices; and
- Dissemination of sustainable building solutions to the building industry and public.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2025	Sec 1, Ch. 8, SLA2024, P15, L33, SB187	\$500,000
FY2024	Sec 14, Ch1, SLA2023, P92, L24, HB39	\$500,000
FY2023	Sec 11, Ch1, SLA2022, P92, L18, HB281	\$3,000,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1139	\$500,000	250,000	250,000	0	0	

5. Senior Citizen Housing Development Program

Reference Number: #6334
 Historical Category: Development
 Location: Statewide
 Election District: Statewide
 Project Type: Construction
 Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$4,000,000 AHFC Corporate Dividend Receipts

Brief Summary and Statement of Need

Funding for development of senior citizen housing units and accessibility modifications to seniors' residences.

Program Description and Justification

SCHDP targets housing needs of both low-income and middle-income seniors and helps senior homeowners improve accessibility in their homes, ensuring safety and the ability to stay in their residence. The Alaska Department of Labor and Workforce Development (2020) estimated that the senior population (65+) in Alaska could grow from 12,000 to 22,000 by 2045 (low/high forecast scenario). In terms of total population, this represents a total senior population increase of 5-6% over the next 25 years.

SCHDP provides grant funds to municipalities, public or private non-profit corporations, and regional housing authorities in conjunction with other agencies for development of senior citizen housing. To date this program has funded 1,890 senior units and provided accessibility modifications to over 750 homes.

Funds are used only to fund the development gap, for example, the amount necessary to make the project financially feasible or the difference between all project funding sources expected to be contributed (including loans) and the cost to develop the project. Eligible fund uses include accessibility modifications to homes owned by seniors, purchase of building sites, site preparation, materials, construction and rehabilitation. Organizations qualified to apply include municipalities and public or private nonprofit corporations.

Projected Outcomes

- Fund two development projects with 80 units;
- Perform accessibility modifications on approximately 27 units

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P8, L11 SB57	\$3,000,000
FY2025	Sec1, Ch8, SLA2024, P16, L18 SB187	\$3,000,000
FY2024	Sec 14, CH1, SLA2023, P93, L7, HB30	\$1,750,000
FY2023	Sec 11, Ch1, SLA2022, P92, L16, HB281	\$1,750,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1139	\$4,000,000	1,000,000	1,000,000	1,000,000	500,000	500,000

Summary of Prior Year Awards

Rental Development

Year Awarded	Applicant	Project	Units	Award
2025	Kenai Peninsula Housing Initiatives	Rainbow Flats II	6	\$2,070,000
2024	Kenai Peninsula Housing Initiatives	Rainbow Flats	6	\$878,050
2024	Cook Inlet Housing Development	Tyonek Terrace	40	\$871,950
2023	Wasilla Area Seniors	Aspen House	40	\$1,230,029
2022	Providence Health & Services	Providence AK House - Anchorage	51	\$369,971
2022	Cordes	Valdez Senior	29	\$500,000
2021	Cook Inlet Housing Development	Spenard East, Phase I	48	\$1,750,000
2020	Cook Inlet Housing Development	South Anchorage Senior Housing	50	\$875,000
2020	Kenai Peninsula Housing Initiatives	Kenai Meadows, Phase II	5	\$414,018
2020	Wasilla Area Seniors Inc.	Willow House – Wasilla	40	\$460,982
Total			315	\$9,420,000

Accessibility Modification

<u>Grantee</u>	<u>Service Area</u>	<u>Households Served</u>	<u>Award Amount</u>
Rural Cap	Northern and Southeast Economic Regions	6	\$297,536
Alaska Community Development Corporation	Anchorage, Fairbanks, Mat-Su and Kenai Boroughs, Interior and Gulf Coast Economic Regions.	75	\$1,750,989.78
Total		102	\$2,048,525.78

Recent Highlights & Accomplishments



Aspen House by Wasilla Area Seniors. 40 units newly constructed in Wasilla.

6. HUD Federal HOME Grant Program

Reference Number: #6347
Historical Category: Development
Location: Statewide
Election District: Statewide
Project Type: Economic Assistance
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$750,000 AHFC Corporate Dividend Receipts
 \$4,000,000 Federal Receipts

Brief Summary and Statement of Need

The purpose of this authorization is to expand supply of affordable, low-to-moderate income housing and to strengthen the state's ability to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has its own separate HOME program.

Program Description/Justification

The HOME Grant program awards federal (HUD) and state matching funds for the following activities:

- 1) Affordable rental housing development – funds the difference between project cost and all other sources of funds which are expected to be contributed to the project, including any loans that the project's cash flow can support;
- 2) Housing acquisition - partial funding for costs associated with the purchase of a modest home by lower-income families;
- 3) Community Housing Development Organizations funding for eligible organizations that are developing affordable housing for lower-income families;
- 4) Tenant based rental assistance for qualifying populations.
- 5) Other housing needs as specified in the Housing Community Development plan and as authorized by HUD.

This program has funded 96 rental projects containing 1,880 rental units and rehabilitated 563 low-income homes. It has assisted another 988 low-income households to purchase homes and provided more than 630 households with rental assistance.

Projected Outcomes

- Develop affordable rental housing by funding the development gap for three rental projects or about 54 units;
- Develop 10 single family units through the Homeownership Development program.
- Assist up to 11 homebuyers to achieve homeownership for lower-income families by providing down payment and closing cost assistance;
- Assist Community and Housing Development Organizations with developing affordable housing by funding a portion of their operating costs;
- Fund other housing needs as specified in the HCD plan and as authorized by HUD under 24 CFR Part 92;

- Provide tenant-based rental assistance to prevent homelessness.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P8, L3 SB57	\$4,750,000
FY2025	Sec 1, Ch8, SLA2024, P16, L10, SB187	\$4,750,000
FY2024	Sec 14, Ch1, SLA2023, P92, L32, HB39	\$4,750,000
FY2023	Sec 11, Ch1, SLA2022, P92, L26, HB281	\$4,750,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$4,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0
1139	\$750,000	500,000	250,000	0	0	0

Summary of FY2025 Awards

Sponsor	Program/Project	HOME Award
AHFC	Tenant-Based Rental Assistance	\$215,997
Kenai Peninsula Housing Initiatives	New Construction of 8 Rental Units	\$1,404,900
The Pacific Companies	New Construction of 32 Rental Units	\$725,000
Gastineau Human Services and Juneau Housing First Collaborative	New Construction of 51 Permanent Supportive Housing Units	\$1,610,233
Saxman Townhomes LLC	New Construction of 20 Rental Units	\$900,000
RuralCAP	Community Housing Development Organization	\$45,000
Valley Residential Services	Community Housing Development Organization	\$45,000
Kenai Peninsula Housing Initiatives	Community Housing Development Organization	\$45,000
Sitka Community Land Trust	Community Housing Development Organization	\$15,000
Total:		\$4,449,761

Recent Highlights & Accomplishments

HOME funding help build Tongass Townhomes in Dairy, south of Ketchikan. 20 newly constructed low-income rental units:



7. HUD Capital Fund Program (CFP)

Reference Number: #6342
 Historical Category: Development
 Location: Statewide
 Election District: Statewide
 Project Type: Renewal and Replacement
 Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2026 Requested: \$3,750,000 Federal Receipts

Brief Summary and Statement of Need

This Federal (HUD) grant provides AHFC with funds each year to help build, operate, maintain, renovate or modernize public housing units.

Program Description/Justification

The Quality Housing & Work Responsibility Act of 1998 established the Public Housing Capital Fund Program under amended section 9 of the Housing Act of 1937. It provides funds annually to Public Housing Authorities for capital and management activities, including modernization and development of public housing.

This request covers spending authority required for funds anticipated to be available in the fiscal year. The program provides funding for the renovation or replacement of various public housing units statewide. Presently, AHFC estimates a total deferred maintenance need of \$21.4 million for its public housing units.

Projected Outcomes

- Public housing rental units that are decent, safe and sanitary, and affordable;
- Opportunities to conduct energy audits and code compliance inspections.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P7, L32 SB57	\$3,750,000
FY2025	Sec1, Ch8, SLA2024, P16, L8 SB187	\$3,600,000
FY2024	Sec 14, Ch1, SLA2023, P92, L30, HB39	\$3,600,000
FY2023	Sec11, Ch1, SLA2022 P92, L24, HB281	\$3,200,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$3,750,000	2,000,000	1,200,000	550,000	0	0

Recent Highlights & Accomplishments

- *Chugach Manor (Anchorage)* – Installed auxiliary power to ensure uninterrupted resident support during outages, especially critical in winter for safety and to prevent costly damage;
- *Nome & Bethel* – Leveled units and added adjustable foundations to counter permafrost shifts and frost heaves, allowing for ongoing grade adjustments; and
- *Sitka* – Transitioned from below-ground to above-ground fuel tanks, creating a more environmentally friendly, cost-efficient system that is easier to maintain, monitor, and replace.

Additional projects include siding and window replacements, heating system upgrades, unit modifications, and rapid response to emergencies—all aimed at maintaining safe, sustainable, and resilient housing for our residents.

Juneau Siding and Window Replacement - Mt. View apts.



Foundation Leveling for Nome and Bethel housing developments



Roof replacements Birch Park Fairbanks and Golden Ages Fairbanks



Image of Heating Fuel Tank Replacement – Cordova, Juneau, Kodiak, Sitka



Auxiliary Generator Installation for Chugach Manor – Anchorage



Above-Ground Storage Fuel Tank and Enclosed Surround – Sitka



8. Federal and Other Competitive Grants

Reference Number: #6348
Historical Category: Health and Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$1,500,000 AHFC Corporate Dividend Receipts
 \$6,000,000 Federal Receipts

Brief Summary and Statement of Need

This authorization allows AHFC to apply for HUD, other federal agency, and private foundation grants that target housing and supportive service needs of low-income and special needs Alaskans such as senior citizens, victims of human trafficking, persons with mental, physical, or developmental disabilities, or the homeless.

Program Description/Justification

Numerous federal and private foundations incorporate a matching cash contribution requirement in their competitive grant programs. The grant match program has been vital to attracting outside funding into Alaska to meet the housing needs of these vulnerable populations.

This program allows AHFC to apply for and receive federal, state and other grants that target the housing needs and supportive services of people with disabilities, victims of human trafficking, low-income households, rural professionals and homeless Alaskans. AHFC competitively awards federal funds received, as well as match funds, to local non-profit or municipal sub-grantee agencies who deliver housing and related supportive services. Examples of programs with match components include HUD Supportive Housing, Housing Opportunities for Persons with AIDS, the USDA Housing Preservation Grant program, and the HUD Section 811 program, and the Department of Justice Housing for Human Trafficking Survivors program. AHFC may use the authority available under this program to apply to private institutions or foundations to study and/or address such issues as housing delivery systems, safe and viable neighborhoods, homelessness and aging in place.

Projected Outcomes

Receipt of funding from the following grant programs:

- HUD Supportive Housing;
- Department of Justice Housing for Human Trafficking Survivors Program;
- Housing Opportunities for Persons with AIDS (HOPWA);
- Grant Match Program;
- The National Housing Trust Fund;
- Section 811 Housing Program for Persons with Disabilities.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P7, L30 SB57	\$7,500,000
FY2025	Sec 1, Ch 8, SLA2024, P16, L6, SB187	\$7,500,000
FY2024	Sec 14, Ch1, SLA2023, P93, L28, HB39	\$7,500,000
FY2023	Sec11, Ch1, SLA2022 P92, L22, HB281	\$7,500,000

Proposed Spending Plan - FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$6,000,000	3,000,000	2,000,000	1,000,000	0	0
1139	\$1,500,000	500,000	500,000	500,000	0	0

Summary of FY2025 Awards

Sponsor	Program/Project	Award
Anchorage Coalition to End Homelessness	Coordinated Entry System	\$19,400
Anchorage Coalition to End Homelessness	Planning Grant	\$12,901
Anchorage Housing Initiatives	Coming Home	\$74,010
A.W.A.R.E.	Rapid Rehousing SAFE Program	\$15,826
Alaska Coalition on Housing and Homelessness	Planning Grant	\$5,700
Covenant House	Permanency Navigator	\$15,826
	Rapid Rehousing Program	\$15,826
	Rights of Passage	\$160,777
Institution for Community Alliances	Anchorage Homeless Management Information System	\$46,999
	Statewide Homeless Management Information System	\$128,377
Interior Alaska Center for Nonviolent Living	Burch House	\$64,041
	Our House	\$26,136
Juneau Housing First Collaborative	Juneau	\$17,594
Neighborworks Alaska	RISE PSH	\$215,284
	SRA	\$170,222
Nome Community Center	Housing First	\$12,500
	Permanent Supportive Housing	\$13,030
Rural Cap	3 rd Ave PSH	\$257,453
Tanana Chiefs Conference	Housing First	\$44,310
The Leeshore Center	Transitional Living Center	\$55,011
Valley Charities, Inc.	Neighbor to Neighbor RRH	\$15,950
Valley Residential Services	Bev's Place	\$15,826
Swell LLC	Saxman Townhomes	\$1,304,162
Gastineau Human Services and Juneau Housing First Collaborative	Gastineau Recovery Permanent Supportive Housing	\$808,188
Kenai Peninsula Housing Initiatives	Rainbow Flats Apartments III	\$718,000
Total:		\$4,233,349

Recent Highlights & Accomplishments

Valdez Senior Apartments | twenty-nine newly constructed independent living rental units in Valdez, partially funded with the National Housing Trust Fund.



9. Competitive Grants for Public Housing

Reference Number: #6350
Historical Category: Health and Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$350,000 AHFC Corporate Dividend Receipts
 \$1,000,000 Federal Receipts

Brief Summary and Statement of Need

Funding for AHFC to leverage federal agency (HUD) and private foundation grants that target housing needs of low-income and special needs groups who live in public and/or assisted housing.

Program Description/Justification

Federal (HUD) and state match grant funds allow AHFC to apply for grants that target housing needs of low income and special needs groups such as senior citizens, persons with disabilities or the homeless. AHFC will also apply for energy-related and housing improvement grants as they relate to public housing.

Previous awards include crime prevention, crime reduction and substance abuse education programs in public housing and self-sufficiency programs that help public housing assisted families attain economic independence. Examples of previous grantors include the Robert Wood Johnson Foundation, Department of Education, and U.S. Department of Health and Human Services.

This project also enables AHFC to receive additional housing assistance from HUD in the form of Section 8 vouchers. Funds are frequently “passed through” to local non-profits or government agencies to deliver appropriate services throughout the state.

Projected Outcomes

- 1) Meet match requirements for federal grants such as:
 - Family Self-Sufficiency Coordinator;
 - Elderly/Disabled Service Coordinator Program; and,
 - Resident Opportunities and Supportive Services Service Coordinator.
- 2) Provide services through grants and contracts with non-profit agencies that will fulfill educational and economic improvement needs of low-income housing clients and their families

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P7, L26 SB57	\$1,350,000
FY2025	Sec 1, Ch 8, SLA2024, P15, L31, SB187	\$1,350,000
FY2024	Sec14, Ch1, SLA2023, P92, L22, HB39	\$1,350,000
FY2023	Sec11, Ch1, SLA2022 P92, L14, HB281	\$1,350,000

Proposed Spending Plan – FY2027 Appropriation

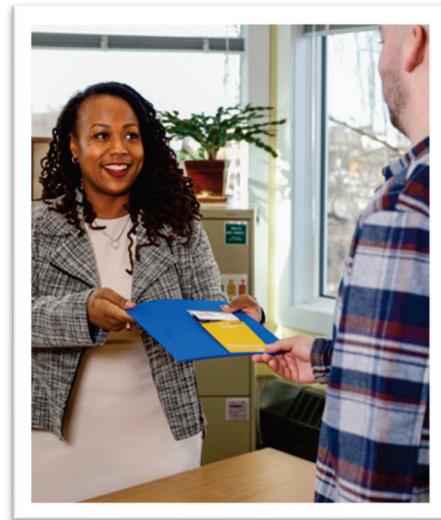
Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$1,000,000	200,000	200,000	300,000	300,000	0
1139	\$350,000	300,000	50,000	0	0	0

Recent Highlights & Accomplishments

Jumpstart Program – Success Story

Jumpstart, the family self-sufficiency program, is open to AHFC rental assistance participants. Enrollment offers numerous benefits such as a dedicated case manager, employment support, financial education, referrals to community-based organizations, linkages to job training services, navigating barriers to self-sufficiency, personal growth counseling, and an array of financial incentives to support participant goals.

Dajanae is a Public Housing resident in Anchorage enrolled in Jumpstart to assist with her goals of obtaining vocational training, employment, and budgeting. Dajanae is a single parent to two young children. She utilized Jumpstart financial incentives successfully complete Phlebotomy vocational training, receive resume and interview coaching, referrals for child care, and help with financial literacy. In June 2025 her hard work paid off and she accepted a position in the health care field.

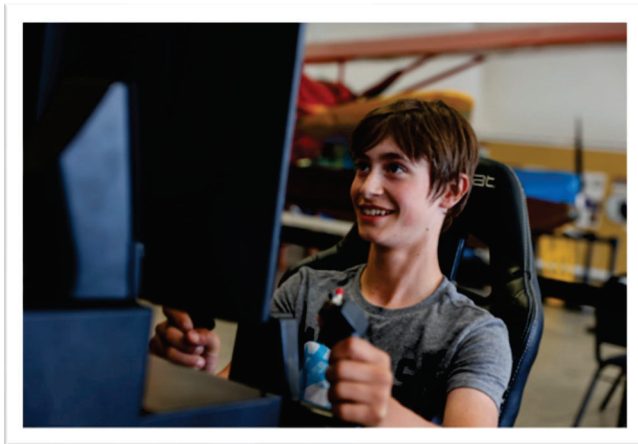


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“I’m a single parent with limited resources. If it had not been for this program my journey would’ve been a lot different and would have taken so much longer, if at all. Thank you!” – Dajanae, Jumpstart participant, Anchorage.

Youth Summer Camp and Activity Scholarship



The Youth Summer Camp and Activity Scholarship makes it possible for young Alaskans to attend a summer camp, take part in an activity, or participate in a sport of their choosing. In 2025, AHFC celebrates 14 years of offering this scholarship, with awards of up to \$500 per youth. From swim lessons, to computer camps, to outdoor adventure trips, there are opportunities for all interests and abilities.

Since 2011, the program has funded more than \$472,000 in scholarships for 1,515 youth, serving 1,048 families throughout the state. In 2025, \$44,500 in scholarships were awarded to 118 youth across 75 families.

10. Supplemental Housing Development Program

Reference Number: #6323
 Historical Category: Development
 Location: Statewide
 Election District: Statewide
 Project Type: Construction
 Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$4,000,000 AHFC Corporate Dividend

Brief Summary and Statement of Need

Funding to supplement federal housing funds for construction and rehabilitation of safe, decent, affordable housing throughout Alaska.

Program Description/Justification

Supplemental Housing Development program utilizes AHFC corporate dividend funds and state general funds to supplement Federal (HUD) funds to construct decent, safe and sanitary housing through regional housing authorities. Total funds cannot exceed more than 20% of HUD's total development cost of a project. Eligible use of funds include:

- 1) Onsite water and sewer facilities;
- 2) Roads to project sites;
- 3) Electrical distribution systems; and
- 4) Energy-efficient design features in homes.

Projected Outcomes

- Construction of affordable homes in urban and rural communities;
- On-site water and sewer facilities;
- Energy-efficient design features in homes;
- Roads to project sites;
- Electrical distribution systems;
- Retrofit homes to provide a safe, healthy, workable home environment; and
- Clients with new safe, energy efficient, comfortable housing.

Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P8, L13 SB57	\$4,000,000
FY2025	Sec1, Ch8, SLA2024, P16, L20, SB187	\$4,000,000
FY2024	Sec 14, Ch1, SLA2023, P93, HB39	\$3,000,000
FY2023	Sec11, Ch1, SLA2022 P92, L32, HB281	\$3,000,000

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Total	Fiscal Year				
		2027	2028	2029	2030	2031
1139	\$4,000,000	2,000,000	1,000,000	1,000,000	0	0

Summary of Prior Year Project Awards

Recipient	Award
Baranof Island Housing Authority	\$502,320.33
Bering Strait Regional Housing Authority	\$502,320.33
Cook Inlet Housing Authority	\$400,000.00
Copper River Basin Regional Housing Authority	\$500,000.00
Interior Regional Housing Authority	\$466,539.00
Ketchikan Indian Community	\$400,000.00
Kodiak Island Housing Authority	\$185,000.00
Metlakatla Housing Authority	\$127,500.00
Tlingit-Haida Regional Housing Authority	\$502,320.34
Tagiugmiullu Nunamiullu Regional Housing Authority	\$414,000.00
Total	\$4,000,000.00

Recent Highlights & Accomplishments

SFY 2024 AVCP Regional Housing Authority -New Home Construction

In spring 2025, AVCP Regional Housing Authority completed new construction projects in multiple locations that delivered ten energy efficient homes across the villages of Eek, Atmautluk, Ninapitchuk, and Tuntutuliak. Advanced materials, including structurally insulated panels, triple pane windows, and blown-in insulation were installed to enhance energy performance. These homes support efforts to address severe housing shortages and overcrowding in remote areas of Alaska while also promoting responsible, climate conscious development in communities accessible only by air.

By integrating these energy efficient features, AVCP has reduced heating costs for residents. This project highlights AVCP's ongoing commitment to sustainable development and improving living conditions throughout the Bethel and Kusilvak regions.





SFY 2022 Interior Regional Housing Authority -New Home Construction

With support from Supplemental Housing Development Grant funds, IRHA successfully constructed six new energy efficient homes – five located in Fairbanks and one in the community of Circle. These homes incorporate features such as structurally insulated panels (SIPs), HRV systems, low E-argon filled windows, and fiberglass insulated doors. The project not only expanded access to quality housing but also contributed to long term energy savings for families in interior Alaska

Wilson Street – New Construction



11. AHFC Energy Programs – Weatherization

Reference Number: #50683
Historical Category: Health/Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2030

FY2027 Requested: \$3,000,000 AHFC Corporate Dividend Receipts
\$3,000,000 Federal Receipts

Brief Summary and Statement of Need

Weatherization and life and safety rehabilitation of older and inefficient housing stock to support low-to-moderate income households.

Program Description/Justification

Federal U. S. Department of Energy (DOE) funding assists low- and moderate- income families in attaining decent, safe, and affordable housing through cost effective weatherization and rehabilitation of existing homes. Weatherization provides energy efficiency upgrades to homes using the latest building science tools to target heat loss areas and correct them. Installed measures must be cost effective. The program addresses health and safety through tune-ups for heating systems, electrical and chimney repairs, and woodstove improvements.

Weatherization improvements address life-threatening health and safety issues in many homes. Much of Alaska's older housing stock cannot maintain a minimally comfortable indoor temperature. Since April 2008 and by the end of FY2024, AHFC has completed weatherization improvements on approximately 23,195 units. The average energy use of those households was reduced by 29% according to the Weatherization Program Investment Report by Cold Climate Housing Research (CCHRC). Program clients include elderly Alaskan, those with disabilities, and/or families with young children.

AHFC's ability to properly diagnose and correct problems in existing housing stock through Weatherization helps provide a safe, clean environment to clients.

Projected Outcomes

- Reduce household operating costs;
- Improve resident health and safety;
- Improve durability and longevity of housing stock;
- Replace unsafe heating systems;
- Install smoke detectors in homes; and,
- Install carbon monoxide detectors.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec1, Ch12, SLA2025, P7, L28 SB57	6,000,000
FY2025	Sec1, Ch 8, SLA2024, P16, L4, SB187	\$22,500,000
FY2024	Sec 14, Ch1, SLA2023, P92, L26, HB39	\$10,000,000
FY2023	Sec11, Ch1, SLA2022 P92, L20, HB281	\$23,186.814

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$3,000,000	600,000	600,000	600,000	600,000	600,000
1139	\$3,000,000	600,000	600,000	600,000	600,000	600,000

Summary of Prior Year Project Awards

Recipient:	Award
Alaska Community Development Corporation	\$1,265,483
Aleutian Housing Authority	\$50,600
Association of Village Council Presidents Regional	\$190,900
Bristol Bay Housing Authority	\$144,900
Cook Inlet Housing Authority	\$87,400
Copper River Basin Housing Authority	\$0
Interior Regional Housing Authority	\$0
Interior Weatherization Inc.	\$1,157,825
Northwest Inupiat Housing Authority	\$2,000
North Pacific Rim Housing Authority	\$0
Rural Alaska Community Action Program, Inc.	\$849,357
Tlingit-Haida Regional Housing Authority	\$75,900
Total Awarded	\$3,824,365

Recent Highlights & Accomplishments

2024 Mat-Su Valley Success Story

The project we selected this year is a family of two (2) living in the Mat-Su valley. There is one disabled person in the household. Their home was built in 1939. Using readiness funds, we were able to remove the knob and tube wiring that prevented us from insulating the attic. During the project we added insulation to the attic. We also air sealed the house. Health and safety measures installed included, replacing a bath fan, venting the dryer, and installing three smoke detectors and one CO detector. The family commented at inspection that our work eliminated the ice dams that had long plagued their roof.



The following tasks were performed at the home:

- Performed air sealing;
- Replaced bath room fan, including smart switch and venting to the exterior;
- Insulated the attic;
- Vented the dryer;
- Insulated the joist rim;
- Replaced the heating system; and,
- Replaced knob and tube wiring.

2024 Saint Mary's Success Story

This year's success story is client number #1024 in St. Mary's Alaska. The client has a family of 4 living in a 480 square foot home. The home was in poor shape and received significant improvements through our EWX, Readiness, and LIHEAP funding.

The work began with Health & Safety improvements consisting of new smoke alarms in every bedroom, a CO detector with digital readout so clients can monitor low levels of CO in the home, egress windows in bedrooms, and new entry steps replacing the old/rotten existing steps. A ventilation fan was installed to control indoor air quality. These improvements make sure the family will have safe access to their home as well as peace of mind that they are protected from fire and carbon monoxide.



We then focused our efforts on energy conservation. The first step is to conduct a pre-blower door test giving us an air leakage number. When the post test was done, we had achieved a 40% air leakage reduction on the home, which directly correlates with a reduction in heating fuel usage. The owner told us that "I didn't have to use the woodstove one time this year." Normally he would have to supplement the primary heat source with the wood stove to keep the house from freezing in the coldest months of winter.



The house then received several insulation measures. On the underside of the floor, rigid insulation was installed and covered with plywood to an R30. Before we could insulate the attic, we had to utilize the Readiness funding to install a new metal roof to ensure our new insulation would not be ruined. This funding lets us work on homes that would normally fall under our “walk away” policy. We then added 12 inches of new insulation, bringing the attic to the standard of R-50.

Next, we replaced 4 windows and the entry door. The home’s windows were inoperable and due to the broken panes were no longer transparent. The family was thrilled with the new windows, not only for the view but that they came with screens. Now the family can be comfortable in the winter but also the summer when temperatures have been above average for some time now. The new entry door will not only provide added warmth but also security.

Lastly, we replaced the home’s primary heat source with a new properly sized Toyo stove. This will help guarantee the home will be efficiently heated in the foreseeable future.

All the work that was performed on the home will improve the lives of the family for years to come, making this a true success story.

12. Federal and Other Competitive Grants – Alaska Sustainable Energy Corporation

Reference Number: New
Historical Category: Development
Location: Statewide
Election District: Statewide
Project Type: Energy
Estimated Project Dates: 7/01/2026 - 6/30/2030

FY2027 Requested: \$30,000,000 Federal Receipt Authority
 \$5,000,000 Statutory Designated Program Receipts

Brief Summary and Statement of Need

Federal and statutory designated program receipts for Alaska Sustainable Energy Corporation, to apply for, and receive, federal and private funding for grants that result in low-cost financing for sustainable energy and energy efficiency projects in Alaska.

Program Description/Justification

This authorization allows ASEC to apply for federal agency funding and private grants that result in low-cost financing for sustainable energy and energy efficiency projects in Alaska. Additionally, the SDPR will allow ASEC to pursue revenue generating activities that will support operating expenses and future lending programs, forging a path for the Corporation to become financially self-sufficient.

Alaska Sustainable Energy Corporation (ASEC) was incorporated on November 5, 2024 as a nonprofit subsidiary of the Alaska Housing Finance Corporation (AHFC), pursuant to House Bill No. 273 of the 2024 Alaska Legislature. ASEC was formed for the purpose set forth in AS 18.56.086(a), identified as financing or facilitating the financing of sustainable energy development in the State or delivering energy to the State.

To fulfill its statutory purpose, ASEC has developed a pipeline of funding opportunities and projects needing financing, with the goals of lowering energy costs for Alaskans, increasing energy resilient buildings and new energy generation through low-cost financing. Additionally, these programs aim to support and de-risk private sector financing into sustainable energy developments (as defined in AS 18.56). To do so, ASEC must have sufficient capital resources for lending activities from education and origination, to underwriting, to servicing, to fund recycling.

Projected Outcomes

- Active pipeline of sustainable energy projects in Alaska that are ready for financing.
- Private lender relationships leading to referral opportunities and to a healthy private capital ecosystem for sustainable energy developments in Alaska across residential, commercial and community sectors.
- New opportunities for revenue and lending capital, leading to financial self-sustainability.
- Lowered energy costs for Alaskans through low-cost financing solutions.
- National recognition for Alaska as an economically viable market for sustainable energy project financing.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
<i>No prior year funding history</i>		

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1002	\$30,000,000	10,000,000	10,000,000	10,000,000	0	0
1108	\$5,000,000	3,000,000	2,000,000	0	0	0

13. Statewide Housing Development Fund

Reference Number: 65873
 Historical Category: Health/Human Services
 Location: Statewide
 Election District: Statewide
 Project Type: Economic Assistance
 Estimated Project Dates: 7/01/2026 - 6/30/2030

FY2027 Requested: \$4,000,000 AHFC Corporate Dividends

Brief Summary and Statement of Need

Several state and public agencies own land that could be developed into residential housing for Alaskans. These lands can be used for standalone residential communities or mixed- use developments with residential and commercial elements.

Program Description/Justification

The Statewide Housing Development Program will facilitate joint development(s) that expand housing opportunities for Alaskans on lands owned by State and Public Agencies such as the University system, the Department of Natural Resources, The Alaska Railroad, and the Alaska Mental Health Trust's Land Office.

Funding will primarily be used to leverage cross agency resources and private equity for construction, site preparation and related infrastructure development that facilitates new housing units for rent and / or homeownership.

Projected Outcomes

- 2-3 housing developments sites in as many communities;
- At least one community built with units intended for resident owners.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2025	Sec1, Ch12, SLA2025, P8, L13 SB57	\$4,000,000

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1139	\$4,000,000	2,000,000	1,000,000	1,000,000	0	0

FY2027
Mental Health Bill Capital Budget Request
Project Detail
(Listed in Priority Order)

1. Homeless Assistance Program (HAP) (Mental Health Bill)

Reference Number: #45390
 Historical Category: Health/Human Services
 Location: Statewide
 Election District: Statewide
 Project Type: Economic Assistance
 Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$6,350,000 AHFC Corporate Dividend
 \$950,000 Mental Health Trust Fund Dividends (MHTARR)
 \$2,850,000 State GF/MH

Brief Summary and Statement of Need

The Homeless Assistance Program provides grants to assist nonprofit organizations, local governments, and regional housing authorities in addressing the emergency needs of homeless and near-homeless.

Program Description/Justification

The Homeless Assistance Program enables thousands of homeless and/or near-homeless families – individuals, youth, and victims of domestic violence – obtain or retain safe and sanitary shelter each year.

Grants help local communities/agencies develop programs that reduce homelessness, provide services that prevent housing displacement and assist those who are homeless to transition back to permanent housing. Funds also support the operation of the statewide information and referral system 211.

Projected Outcomes

- Prevent near-homeless individuals and families from becoming homeless;
- Provide homeless individuals and family assistance to obtain safe and sanitary shelter;
- \$6.6 million in HAP grant funds to support the operations of 35 homeless and supportive housing service providers in 16 different communities. Statewide 15,000 people received assistance through HAP-funded programs. Twenty-nine percent of those individuals were part of household with minor children;
- \$500,000 for competitive NOFA to fund five new BHAP projects;
- \$1.5 million for a new Rent Relief program;
- HAP funds provide operational support for emergency shelters, community funds for rapid rehousing, and homeless prevention services;
- HAP Homeless Prevention funds assisted families who were experiencing unexpected hardships and at risk of becoming homeless; and/or,
- HAP Rapid Rehousing funds assisted families who can maintain housing but need a brief financial assistance boost to obtain stable housing.

Prior Year Funding History

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec4, Ch11, SLA2025, P11, L21, HB55	\$10,150,000
FY2025	Sec5, Ch9, SLA2024 P14, L20 HB270	\$7,300,000
FY2024	Sec4, Ch1, SLA2023 P11 L19 HB41	\$8,150,000
FY2023	Sec5, Ch1, SLA2022 P15, L31, HB282	\$8,100,000

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1037	\$2,850,000	1,000,000	1,000,000	850,000	0	0
1092	\$950,000	950,000	0	0	0	0
1139	\$6,350,000	3,000,000	3,000,000	350,000	0	0

Summary of FY2025 Awards

Agency	Community	Award
Abused Women's Aid in Crisis, Inc. (AWAIC)	Anchorage	262,990
Alaska Behavioral Health	Anchorage	60,494
Alaska Family Services	Mat-Su	38,390
Alaska Mental Health Consumer Web	Anchorage	97,723
Brother Francis Shelter Kodiak, Inc.	Kodiak	231,126
Catholic Social Services	Anchorage	875,456
Cordova Family Resources	Cordova	99,521
<u>Covenant House Alaska</u>		
Covenant House Alaska	Anchorage	410,827
COV: Rights of Passage	Anchorage	100,000
Fairbanks Rescue Mission	Fairbanks	311,568
Fairbanks Youth Advocates	Fairbanks	189,514
<u>Gastineau Human Services (GHS)</u>		
GHS: Alaska Housing Development Corporation	Juneau	170,742
GHS: Aiding Women in Abuse and Rape Emergencies	Juneau	123,866
GHS: Gastineau Human Services	Juneau	200,049
GHS: St. Vincent De Paul	Juneau	53,252
GHS: The Glory Hall	Juneau	78,159
Helping Alaska	Fairbanks	100,000
Helping Ourselves Prevent Emergencies (HOPE)	Prince of Wales	98,002
Interior Alaska Center for Non-Violent Living	Fairbanks	52,280

Summary of FY2025 Awards – Continued

Agency	Community	Award
LeeShore Center (The)	Kenai	53,575
Love In Action (GLI)	Ketchikan	100,700
Love INC of the Kenai Peninsula	Kenai	321,294
My House Mat-Su	Mat-Su	98,950
Nome Community Center	Nome	122,433
Partners for Progress	Anchorage	413,972
Rural Alaska Community Action Program, Inc.	Anchorage	308,813
Shiloh Community Housing, Inc.	Anchorage	153,124
Sitka Homeless Coalition	Sitka	100,000
South Peninsula Haven House	Homer	100,079
<u>Salvation Army-Alaska Division</u>		
SVA: Fairbanks	Fairbanks	155,565
SVA: McKinnell House	Anchorage	101,784
SVA: Sitka	Sitka	64,456
SVA: Small Community Initiative	Southeast	58,701
SVA: Mat-Su	Mat-Su	48,400
Tundra Women's Coalition	Bethel	64,831
Unalaskans Against Sexual Assault and Family Violence	Unalaska	28,831
<u>Valley Charities Inc</u>		
VCI: Blood and Fire Ministries	Mat-Su	221,850
VCI: Daybreak Inc.	Mat-Su	101,391
VCI: Family Promise	Mat-Su	101,057
VCI: Blood and Fire Ministries	Mat-Su	221,850
VCI: Valley Charities, Inc. Neighbor to Neighbor	Mat-Su	293,085
	Total:	\$6,788,700

2. Beneficiary and Special Needs Housing (Mental Health Bill)

Reference Number: #64685
Historical Category: Health/Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$3,500,000 AHFC Corporate Dividend
\$200,000 Mental Health Trust Fund Dividends (MHTARR)

Brief Summary and Statement of Need

Funds for Alaska nonprofit service providers and housing developers to increase housing opportunities to Alaska Mental Health Trust beneficiaries and other special needs populations throughout Alaska.

Program Description/Justification

Beneficiary and Special Needs Housing program funds (pre)development and housing operations for Alaska nonprofit service providers. Funds are for developing community-based supportive housing in conjunction with the Homeless Assistance Program. This program has developed over 300 permanent supportive housing units since FY2000.

Demand for special needs housing remains critical. The Alaska Mental Health Trust Authority has made housing one of its five focus areas for funding. The Alaska Independent Living Council and other special needs advocacy groups have identified supportive housing as a top priority in their statewide planning efforts. Target populations consist of mental health beneficiaries and other special needs groups including severely emotionally disturbed children and the homeless.

Examples of special needs housing include:

- Congregate housing for people with mental illness or developmental disabilities;
- Supportive housing for victims of domestic violence;
- Supportive housing, including assisted living for people with mental illness, developmental disabilities, or multiple disorders;
- Transitional housing with support services for newly recovering alcoholics and addicts; and
- Permanent or transitional housing support for the homeless and AMHTA beneficiaries.

AHFC administers these housing development funds in conjunction with other resources, including other federal grant and tax credit programs, to the greatest extent possible. Leveraging of these funds enables AHFC to administratively streamline housing development projects and expedite the release of funding to nonprofit housing developers, particularly those who also intend to borrow money from AHFC

Projected Outcomes

- Ongoing operational support for 18 congregate housing properties for victims of domestic violence, people with mental illness or developmental disabilities and chronically homeless Alaskans;
- Reduction in recidivism among Trust Beneficiaries spending time in institutions;
- Increase in supportive housing, including assisted living, for Alaskans with mental, physical, or developmental disabilities, or multiple disorders; and
- Increase in transitional housing with support services for newly recovering alcoholics and addicts.

Prior Year Funding History:

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec4, Ch11, SLA2025, P11, L19, HB55	\$1,950,000
FY2025	Sec5, Ch8, SLA2024 P14 L18 HB270	\$1,950,000
FY2024	Sec4 Ch1 SLA2023 P11 L25 HB41	\$2,950,000
FY2023	Sec5, Ch1, SLA2022, P15, L29, HB282	\$3,450,000

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1092	\$200,000	100,000	100,000	0	0	0
1139	\$3,500,000	2,000,000	1,000,000	500,000	0	0

Summary of FY2025 Project Awards

Agency	Facility Name	Community	Units	Award
Catholic Social Services	Scattered Site	Anchorage	15	\$593,448.00
Interior Alaska Center for Non-Violent Living	Burch & Our House	Fairbanks	16	\$399,486.00
Juneau Housing First	Forget Me Not Manor II	Juneau	32	\$600,000.00
Juneau Housing First	Forget Me Not Manor	Juneau	32	\$1,200,000.00
Kenai Peninsula Housing Initiatives, Inc.	Maintree	Homer	4	\$55,620.00
Kenai Peninsula Housing Initiatives, Inc.	Tyee Court	Soldotna	8	\$49,765.00
Kenai Peninsula Housing Initiatives, Inc.	Crestview	Soldotna	4	\$49,440.00
Nome Community Center	Rural Demonstration Program	Nome	6	\$600,000.00
Partners for Progress	Re-Entry	Anchorage	100	\$927,000.00
REACH, Inc.	Glacier Woods	Juneau	5	\$37,489.00
Rural CAP	Davis, Lane and Peterkin Properties	Anchorage	24	\$839,153.00
Rural CAP	Karluk Manor	Anchorage	46	\$1,441,587.00
Seaview Community Services	Chamberlin House	Seward	4	\$66,063.00
Tanana Chiefs Conference	Housing First	Fairbanks	47	\$1,281,750.00
Valley Residential Services	Bridgeway	Mat-Su	42	\$600,000.00
Valley Residential Services	Scattered Site - Swanson	Mat-Su	10	\$910,000.00
Total			395	\$9,650,801.00

3. Rural Housing Coordinator – Ketchikan (Mental Health Bill)

Reference Number: #64686
Historical Category: Health/Human Services
Location: Statewide
Election District: Statewide
Project Type: Life/Health/Safety
Estimated Project Dates: 7/01/2026 - 6/30/2031

FY2027 Requested: \$135,000 Mental Health Trust Fund Dividends (MHTARR)

Brief Summary and Statement of Need

This project funds a Rural Housing Coordinator position to support state operating infrastructure in the Ketchikan Gateway Borough. The Rural Housing Coordinator position will engage community partners, build local capacity, and establish a coalition to address homelessness. This position will strategize on how to address overcrowding, improve substandard housing, and increase affordable housing.

The coordinator will work with Alaska Housing Finance Corporation and Association of Alaska Housing Authorities staff to maximize local, state, and federal funding opportunities and to ensure effective use of available dollars.

Program Description/Justification

Homelessness looks quite different in communities across the state. The Rural Alaska Coordinator role in Southeast Alaska will work with community stakeholders, including city, private, and public partners, to develop a systemic response to homelessness and unstable housing. Solutions and projects implemented in Ketchikan will be adaptable for other communities and improve access to services for Trust beneficiaries and others who experience barriers to housing.

The Rural Housing Coordinator Program works with local leadership to develop a coordinated response to homelessness. Local government, nonprofit partners, religious communities, and dedicated volunteers are providing services, but the community needed an organized coalition working together to form a safety net. The coordinator works to identify partners and develop systemic responses. Additionally, RHC staff identify unmet needs and work to address those gaps.

The Alaska Housing Finance Corporation (AHFC) administers these funds in partnership with the Alaska Mental Health Trust Authority, the Statewide Homeless and Housing Coalitions, and other Rural Housing Coordinators. Successful projects and ideas are shared and adapted for other communities and services.

Projected Outcomes

- Establish a Memorandum of Understanding (MOU) with a rural community and establish the Rural Housing Coordinator program in union with local government;
- Produce a report within the first 12 months that defines the unhoused and at-risk population in the community, existing resources, and gaps in services;
- Establish a coalition to address homelessness and barriers to affordable housing development; and,
- Work with local government, nonprofit partners, and other stakeholders to apply for state and federal funding to support affordable housing development.

Prior Year Funding History:

Fiscal Year	Appropriation Language	Appropriation
FY2026	Sec4, Ch11, SLA2025, P11, L23, HB55	\$135,000
FY2025	Sec5, Ch9, SLA2024, P14, L22, HB270	\$135,000
FY2024	Sec4, Ch1, SLA2023, P11, L23, HB41	\$135,000

Proposed Spending Plan – FY2027 Appropriation

Fund Source	Fiscal Year					
	Total	2027	2028	2029	2030	2031
1092	\$135,000	135,000	0	0	0	0

Recent Highlights & Accomplishments

- The City of Ketchikan developed a position description and contract with Grow Ketchikan staff to complete a comprehensive needs assessment for the City and Gateway Borough;
- The completed report identified several immediate, intermediate and long-term planning goals for the city; and,
- The city is establishing a steering committee to continue the work identified in year one of the project.

Prior Year Capital Budget Summaries: FY2023 – FY2026

FY2026 Capital Budget Enacted

Programs/Projects	SB 57, HB 55 Enacted 9-11-2025							AHFC Board Approved (10-30-2024)							Difference
	Federal	SDPR	State GF	MHTAAR ¹	State MH/GF	Corp	Total	Federal	SDPR	State GF	MHTAAR ¹	State MH/GF ¹	Corp	Total	
Preliminary Estimate of AHFC Dividend @ 75% of Adjusted Net Income:						\$37,785.0	\$37,785.0						\$37,785.0	\$37,785.0	0.0
Transfer Type Funding															
1 State Capital Project Bonds (FY2005 - FY2034)						\$3,185.0	\$3,185.0						\$3,185.0	\$3,185.0	0.0
Total Other (Transfer Type) Funding:						\$3,185.0	\$3,185.0						\$3,185.0	\$3,185.0	0.0
AHFC Capital Project Request															
1 Rental Assistance for Victims - Empowering Choice (1330)						\$1,500.0	\$1,500.0						\$1,500.0	\$1,500.0	0.0
2 Rural Professional Housing (2020)	\$500.0	\$500.0				\$10,550.0	\$11,550.0	\$500.0	\$500.0				\$5,000.0	\$6,000.0	5,550.0
3 Affordable Housing Development Program (4200)	\$11,000.0						\$11,000.0	\$11,000.0						\$11,000.0	0.0
4 Energy Efficiency Research (2260)						\$0.0	\$0.0						\$500.0	\$500.0	(500.0)
5 Senior Housing Development Program (2050)						\$3,000.0	\$3,000.0						\$4,000.0	\$4,000.0	(1,000.0)
6 HUD Federal HOME Grant Program (2000)	\$4,000.0					\$750.0	\$4,750.0	\$4,000.0					\$750.0	\$4,750.0	0.0
7 HUD Capital Fund Program (CFP) (1190)	\$3,750.0						\$3,750.0	\$3,750.0						\$3,750.0	0.0
8 Federal & Other Competitive Grants (1600)	\$6,000.0					\$1,500.0	\$7,500.0	\$6,000.0					\$1,500.0	\$7,500.0	0.0
9 Competitive Grants for Public Housing (1500)	\$1,000.0					\$350.0	\$1,350.0	\$1,000.0					\$350.0	\$1,350.0	0.0
10 Supplemental Housing Development Program (2200)						\$4,000.0	\$4,000.0						\$4,000.0	\$4,000.0	0.0
11 Energy Program - Weatherization (2230)	\$3,000.0					\$2,000.0	\$5,000.0	\$3,000.0					\$3,000.0	\$6,000.0	(1,000.0)
Total Capital Project Request:	\$29,250.0	\$500.0				\$23,650.0	\$53,400.0	\$29,250.0	\$500.0				\$20,600.0	\$50,350.0	3,050.0
Mental Health Bill Request															
1 Homeless Assistance Program (2040)				\$950.0		\$9,200.0	\$10,150.0				\$950.0	\$2,850.0	\$6,350.0	\$10,150.0	0.0
2 Beneficiary & Special Needs Housing (2030)				\$200.0		\$1,750.0	\$1,950.0				\$200.0	\$1,750.0	\$1,750.0	\$3,700.0	(1,750.0)
3 Rural Housing Coordinator - Ketchikan (1852)				\$135.0			\$135.0				\$135.0			\$135.0	0.0
Total Mental Health Bill Request:				\$1,285.0		\$10,950.0	\$12,235.0				\$1,285.0	\$4,600.0	\$8,100.0	\$13,985.0	(1,750.0)
Total AHFC's Capital Project Budget:	\$29,250.0	\$500.0		\$1,285.0		\$34,600.0	\$65,635.0	\$29,250.0	\$500.0		\$1,285.0		\$28,700.0	\$64,335.0	1,300.0
Grand Total Capital Budget Project with Debt Service Funding:	\$29,250.0	\$500.0	\$0.0	\$1,285.0	\$4,600.0	\$37,785.0	\$68,820.0	\$29,250.0	\$500.0	\$0.0	\$1,285.0	\$4,600.0	\$31,885.0	\$67,520.0	1,300.0
Total AHFC Funding Cap:						\$37,785.0							\$37,785.0		0.0
Over/(Under):						\$0.0							(\$5,900.0)		5,900.0

Notes

1. Reflects MHTA Board Recommendation (8/31/2024)

AHFC Capital Projects - Corporate Dividends:	\$34,600.0
AHFC Debt Service:	\$3,185.0
AHFC Funding For Other State Projects:	\$0.0
MHTAAR & State GF Mental Health Programs:	\$1,285.0
State GF AHFC Programs:	\$0.0
Total State UGF, AHCC & AHFC:	\$39,070.0
Total Federal & SDPR:	\$29,750.0
Total:	\$68,820.0

AHFC Capital Projects - Corporate Dividends:	\$28,700.0	\$5,900.0
AHFC Debt Service:	\$3,185.0	\$0.0
AHFC Funding For Other State Projects:	\$0.0	\$0.0
MHTAAR & State GF Mental Health Programs:	\$1,285.0	\$0.0
State GF AHFC Programs:	\$0.0	\$0.0
Total State UGF, AHCC & AHFC:	\$33,170.0	\$5,900.0
Total Federal & SDPR:	\$29,750.0	\$0.0
Total:	\$62,920.0	\$5,900.0

FY2025 Capital Budget Enacted

Programs/Projects	AHFC Board Approved (10-25-2023)							HB 268, HB 270, SB 187 Enacted (6/28/2024)							Difference (thousands) Board vs Gov
	Federal	SDPR	State GF	MHTAAR	State MH/GF	Corp	Total	Federal	SDPR	State GF	MHTAAR	State MH/GF	Corp	Total	
Preliminary Estimate of AHFC Dividend @ 75% of Adjusted Net Income:						\$47,910.0	\$47,910.0						\$47,910.0	\$47,910.0	\$0.0
Transfer Type Funding															
1 UAA Student Hsg Debt Service (FY1999 - FY2024)						\$0.0	\$0.0						\$0.0	\$0.0	\$0.0
2 State Capital Project Bonds (FY2005 - FY2034)						\$3,520.0	\$3,520.0						\$3,520.0	\$3,520.0	\$0.0
Total Other (Transfer Type) Funding:						\$3,520.0	\$3,520.0						\$3,520.0	\$3,520.0	\$0.0
AHFC Capital Project Request															
1 Rental Assistance for Victims - Empowering Choice (1330)						\$1,500.0	\$1,500.0						\$1,500.0	\$1,500.0	\$0.0
2 Rural Professional Housing (2020)	\$4,000.0	\$500.0				\$5,000.0	\$9,500.0	\$4,000.0	\$500.0				\$10,000.0	\$14,500.0	\$5,000.0
3 Energy Efficiency Research (2260)						\$500.0	\$500.0						\$500.0	\$500.0	\$0.0
4 Senior Housing Development Program (2050)						\$3,000.0	\$3,000.0						\$3,000.0	\$3,000.0	\$0.0
5 HUD Federal HOME Grant Program (2000)	\$4,000.0					\$750.0	\$4,750.0	\$4,000.0					\$750.0	\$4,750.0	\$0.0
6 HUD Capital Fund Program (CFP) (1190)		\$3,600.0					\$3,600.0	\$3,600.0						\$3,600.0	\$0.0
7 Federal & Other Competitive Grants (1600)	\$6,000.0					\$1,500.0	\$7,500.0	\$6,000.0					\$1,500.0	\$7,500.0	\$0.0
8 Competitive Grants for Public Housing (1500)	\$1,000.0					\$350.0	\$1,350.0	\$1,000.0					\$350.0	\$1,350.0	\$0.0
9 Supplemental Housing Development Program (2200)						\$4,000.0	\$4,000.0						\$4,000.0	\$4,000.0	\$0.0
10 Energy Program - Weatherization (2230)	\$3,000.0	\$12,500.0				\$2,000.0	\$17,500.0	\$3,000.0	\$12,500.0	\$0.0			\$7,000.0	\$22,500.0	\$5,000.0
12 New - Alaska Housing New Construction Home Rebate Program													\$7,000.0	\$7,000.0	\$7,000.0
13 New - Statewide Housing Development Fund										\$3,310.0			\$690.0	\$4,000.0	\$4,000.0
14 New - Fiscal Note SB205 Building Purchase Cost (HB 268)								\$8,000.0						\$8,000.0	\$8,000.0
Total Capital Project Request:	\$21,600.0	\$13,000.0	\$0.0			\$18,600.0	\$53,200.0	\$29,600.0	\$13,000.0	\$3,310.0			\$36,290.0	\$82,200.0	\$29,000.0
Mental Health Bill Request															
1 Homeless Assistance Program (2040) ¹				\$950.0	\$2,850.0	\$6,350.0	\$10,150.0				\$950.0	\$0.0	\$6,350.0	\$7,300.0	(\$2,850.0)
2 Beneficiary & Special Needs Housing (2030) ¹				\$200.0	\$1,750.0	\$1,750.0	\$3,700.0				\$200.0	\$0.0	\$1,750.0	\$1,950.0	(\$1,750.0)
3 Rural Housing Coordinator - Northwest Arctic Borough (1852) ¹				\$135.0			\$135.0				\$135.0			\$135.0	\$0.0
4 Rural Housing Coordinator - New Region (1852) ¹				\$135.0			\$135.0				\$135.0			\$135.0	\$0.0
Total Mental Health Bill Request:				\$1,420.0	\$4,600.0	\$8,100.0	\$14,120.0				\$1,420.0	\$0.0	\$8,100.0	\$9,520.0	(\$4,600.0)
Total AHFC's Capital Project Budget:	\$21,600.0	\$13,000.0	\$0.0	\$1,420.0	\$4,600.0	\$26,700.0	\$67,320.0	\$29,600.0	\$13,000.0	\$3,310.0	\$1,420.0	\$0.0	\$44,390.0	\$91,720.0	\$24,400.0
Grand Total Capital Budget Project with Debt Service Funding:	\$21,600.0	\$13,000.0	\$0.0	\$1,420.0	\$4,600.0	\$30,220.0	\$70,840.0	\$29,600.0	\$13,000.0	\$3,310.0	\$1,420.0	\$0.0	\$47,910.0	\$95,240.0	\$0.0
Total AHFC Funding Cap:						\$47,910.0							\$47,910.0		\$0.0
Over/(Under):						(\$17,690.0)							\$0.0		\$17,690.0
Notes															
1. Reflects MHTA Board Recommendation (8/31/2023)															
AHFC Capital Projects - Corporate Dividends:							\$26,700.0	AHFC Capital Projects - Corporate Dividends:							\$44,390.0
AHFC Debt Service:							\$3,520.0	AHFC Debt Service:							\$3,520.0
AHFC Funding For Other State Projects:							\$0.0	AHFC Funding For Other State Projects:							\$0.0
MHTAAR & State GF Mental Health Programs:							\$6,020.0	MHTAAR & State GF Mental Health Programs:							\$1,420.0
Statutory Designated Program Receipts (SDPR) ¹							\$13,000.0	Statutory Designated Program Receipts (SDPR) ¹							\$13,000.0
State GF AHFC Programs :							\$0.0	State GF AHFC Programs :							\$3,310.0
Total State UGF, AHCC & AHFC:							\$49,240.0	Total State UGF, AHCC & AHFC:							\$65,640.0
Total Federal:							\$21,600.0	Total Federal:							\$29,600.0
Total:							\$70,840.0	Total:							\$95,240.0
															\$24,400.0

FY2024 Capital Budget Enacted

Programs/Projects	AHFC Board Approved (thousands)							Enacted HB39, HB 41 - Mental Health (Thousands); 6/19/2023							Difference (thousands)	
	Federal	SDPR ¹	State GF	MHTAAR	State GF/MH	Corp	Total	Federal	SDPR ¹	State GF	MHTAAR	State GF/MH	Corp	Total	Gov vs AHFC Board	
Preliminary Estimate of AHFC Dividend @ 75% of Adjusted Net Income:						\$23,445.0	\$23,445.0						\$23,445.0	\$23,445.0	\$0.0	
Transfer Type Funding																
1 UAA Student Hsg Debt Service (FY1999 - FY2024)						\$1,000.0	\$1,000.0						\$1,000.0	\$1,000.0	\$0.0	
2 State Capital Project Bonds (FY2005 - FY2034)						\$2,745.0	\$2,745.0						\$2,745.0	\$2,745.0	\$0.0	
Total Other (Transfer Type) Funding:						\$3,745.0	\$3,745.0						\$3,745.0	\$3,745.0	\$0.0	
AHFC Capital Project Request																
1 Affordable Housing Development Program (4200)	\$10,500.0	\$500.0					\$11,000.0	\$10,500.0	\$500.0					\$11,000.0	\$0.0	
2 Rental Assistance for Victims - Empowering Choice (1330)			\$1,500.0				\$1,500.0			\$1,500.0				\$1,500.0	\$0.0	
3 <i>New</i> - Rural Professional Housing ² (2020)		\$500.0				\$1,750.0	\$2,250.0		\$500.0	\$5,000.0			\$1,750.0	\$7,250.0	\$5,000.0	
4 Energy Efficiency Research (2260)						\$500.0	\$500.0						\$500.0	\$500.0	\$0.0	
5 Senior Housing Development Program (2050)						\$1,750.0	\$1,750.0						\$1,750.0	\$1,750.0	\$0.0	
6 HUD Federal HOME Grant Program (2000)	\$4,000.0					\$750.0	\$4,750.0	\$4,000.0					\$750.0	\$4,750.0	\$0.0	
7 HUD Capital Fund Program (CFP) (1190)	\$3,200.0						\$3,200.0	\$3,200.0						\$3,200.0	\$0.0	
8 Federal & Other Competitive Grants (1600)	\$6,000.0					\$1,500.0	\$7,500.0	\$6,000.0					\$1,500.0	\$7,500.0	\$0.0	
9 Competitive Grants for Public Housing (1500)	\$1,000.0					\$350.0	\$1,350.0	\$1,000.0					\$350.0	\$1,350.0	\$0.0	
10 Supplemental Housing Development Program (2200)						\$3,000.0	\$3,000.0						\$3,000.0	\$3,000.0	\$0.0	
11 Energy Program - Weatherization (2230)	\$3,000.0					\$2,000.0	\$5,000.0	\$3,000.0		\$5,000.0			\$2,000.0	\$10,000.0	\$5,000.0	
Total Capital Project Request:	\$27,700.0	\$1,000.0	\$1,500.0			\$11,600.0	\$41,800.0	\$27,700.0	\$1,000.0	\$11,500.0			\$11,600.0	\$51,800.0	\$10,000.0	
Mental Health Bill Request																
1 Homeless Assistance Program (2040)				\$950.0	\$850.0	\$6,350.0	\$8,150.0				\$950.0	\$850.0	\$6,350.0	\$8,150.0	\$0.0	
2 Beneficiary & Special Needs Housing (2030) ²				\$200.0	\$1,750.0	\$1,750.0	\$3,700.0				\$200.0	\$1,000.0	\$1,750.0	\$2,950.0	(\$750.0)	
3 <i>New</i> - Rural Housing Coordinator - Northwest Arctic Borough (1852)				\$0.0			\$0.0				\$135.0			\$135.0	\$135.0	
4 <i>New</i> - Rural Housing Coordinator - New Region (1852)				\$0.0			\$0.0				\$135.0			\$135.0	\$135.0	
Total Mental Health Bill Request:				\$1,150.0	\$2,600.0	\$8,100.0	\$11,850.0				\$1,420.0	\$1,850.0	\$8,100.0	\$11,370.0	(\$480.0)	
Total AHFC's Capital Project Budget:	\$27,700.0	\$1,000.0	\$1,500.0	\$1,150.0	\$2,600.0	\$19,700.0	\$53,650.0	\$27,700.0	\$1,000.0	\$11,500.0	\$1,420.0	\$1,850.0	\$19,700.0	\$63,170.0	\$9,520.0	
Grand Total Capital Budget Project with Debt Service Funding:	\$27,700.0	\$1,000.0	\$1,500.0	\$1,150.0	\$2,600.0	\$23,445.0	\$57,395.0	\$27,700.0	\$1,000.0	\$11,500.0	\$1,420.0	\$1,850.0	\$23,445.0	\$66,915.0	\$9,520.0	
Total AHFC Funding Cap:						\$23,445.0							\$23,445.0		\$0.0	
Over/(Under):						\$0.0							\$0.0		\$0.0	
Notes: 1 Name change of project. Was - Housing Loan Prg/Teacher/Health/Pub. Safety 2 Beneficiary and Special Needs Housing added with Governor's FY2024 Amended. AHFC Capital Projects - Corporate Dividends: AHFC Debt Service: AHFC Funding For Other State Projects: MHTAAR & State GF Mental Health Programs: Statutory Designated Program Receipts (SDPR)¹: State GF AHFC Programs : Total State UGF, AHCC & AHFC: Total Federal: Total: AHFC Capital Projects - Corporate Dividends: AHFC Debt Service: AHFC Funding For Other State Projects: MHTAAR & State GF Mental Health Programs: Statutory Designated Program Receipts (SDPR)¹: State GF AHFC Programs : Total State UGF, AHCC & AHFC: Total Federal: Total:																
							\$19,700.0								\$19,700.0	\$0.0
							\$3,745.0								\$3,745.0	\$0.0
							\$0.0								\$0.0	\$0.0
							\$3,750.0								\$3,270.0	-\$480.0
							\$1,000.0								\$1,000.0	\$0.0
							\$1,500.0								\$11,500.0	\$10,000.0
							\$29,695.0								\$39,215.0	\$9,520.0
							\$27,700.0								\$27,700.0	\$0.0
							\$57,395.0								\$66,915.0	\$9,520.0

FY2023 Capital Budget Enacted

Programs/Projects	FY2023 Capital Budget Request Enacted CSHB 281/CSHB 282 @ June 28, 2022							FY2023 Capital Budget Request AHFC Board Approved @ December 15, 2021							Difference FY23 Gov vs. AHFC Board
	Federal	SDPR ¹	State GF	MHTAAR	State MH/GF	Corp	Total	Federal	SDPR ¹	State GF	MHTAAR	State MH/GF	Corp	Total	Total
Estimate of AHFC Dividend @ 75% of Adjusted Net Income:						\$26,615.0	\$26,615.0						\$26,615.0	\$26,615.0	\$0.0
Transfer Type Funding															
1 UAA Student Hsg Debt Service (FY1999 - FY2024)						\$1,000.0	\$1,000.0						\$1,000.0	\$1,000.0	\$0.0
2 State Capital Project Bonds (FY2005 - FY2034)						\$3,790.0	\$3,790.0						\$3,790.0	\$3,790.0	\$0.0
3 PHD Capital Project Bonds (FY2003 - FY2023)						\$3,625.0	\$3,625.0						\$3,625.0	\$3,625.0	\$0.0
Total Other (Transfer Type) Funding:						\$8,415.0	\$8,415.0						\$8,415.0	\$8,415.0	\$0.0
AHFC Capital Project Request															
1 Rental Assistance for Victims - Empowering Choice (1330)			\$1,500.0				\$1,500.0			\$1,500.0				\$1,500.0	\$0.0
2 Housing Loan Prg/Teacher/Health/Pub. Safety (2020) ¹	\$2,000.0	\$500.0	\$17,000.0			\$1,750.0	\$21,250.0		\$500.0				\$1,750.0	\$2,250.0	\$19,000.0
3 Energy Efficiency Research (2260) ²	\$2,000.0		\$500.0			\$500.0	\$3,000.0					\$500.0	\$500.0	\$500.0	\$2,500.0
4 Senior Housing Development Program (2050)			\$750.0		\$500.0	\$1,000.0	\$2,250.0					\$500.0	\$1,000.0	\$1,500.0	\$750.0
5 HUD Federal HOME Grant Program (2000)	\$4,000.0					\$750.0	\$4,750.0	\$4,000.0					\$750.0	\$4,750.0	\$0.0
6 HUD Capital Fund Program (CFP) (1190)	\$3,200.0						\$3,200.0	\$3,200.0						\$3,200.0	\$0.0
7 Federal & Other Competitive Grants (1600)	\$6,000.0					\$1,500.0	\$7,500.0	\$6,000.0					\$1,500.0	\$7,500.0	\$0.0
8 Competitive Grants for Public Housing (1500)	\$1,000.0					\$350.0	\$1,350.0	\$1,000.0					\$350.0	\$1,350.0	\$0.0
9 Supplemental Housing Development Program (2200)			\$250.0			\$2,750.0	\$3,000.0						\$2,750.0	\$2,750.0	\$250.0
10 Energy Program - Weatherization (2230) ³	\$21,386.8					\$1,800.0	\$23,186.8	\$3,000.0					\$1,800.0	\$4,800.0	\$18,386.8
Total Capital Project Request:	\$39,586.8	\$500.0	\$20,000.0		\$500.0	\$10,400.0	\$70,986.8	\$17,200.0	\$500.0	\$1,500.0		\$500.0	\$10,400.0	\$30,100.0	\$40,886.8
Mental Health Bill Request															
1 Homeless Assistance Program (2040)				\$950.0	\$850.0	\$6,300.0	\$8,100.0				\$950.0	\$850.0	\$6,300.0	\$8,100.0	\$0.0
2 Beneficiary & Special Needs Housing (2030)				\$200.0	\$1,750.0	\$1,500.0	\$3,450.0				\$200.0	\$0.0	\$1,500.0	\$1,700.0	\$1,750.0
Total Mental Health Bill Request:				\$1,150.0	\$2,600.0	\$7,800.0	\$11,550.0				\$1,150.0	\$850.0	\$7,800.0	\$9,800.0	\$1,750.0
Total AHFC's Capital Project Budget:	\$39,586.8	\$500.0	\$20,000.0	\$1,150.0	\$3,100.0	\$18,200.0	\$82,536.8	\$17,200.0	\$500.0	\$1,500.0	\$1,150.0	\$1,350.0	\$18,200.0	\$39,900.0	\$42,636.8
Grand Total Capital Budget Project with Debt Service F	\$39,586.8	\$500.0	\$20,000.0	\$1,150.0	\$3,100.0	\$26,615.0	\$90,951.8	\$17,200.0	\$500.0	\$1,500.0	\$1,150.0	\$1,350.0	\$26,615.0	\$48,315.0	\$42,636.8
Total AHFC Funding Cap:						\$26,615.0							\$26,615.0		
Over/(Under):						\$0.0							\$0.0		

Notes

1. IUA (Infrastructure) adds \$2.0 million federal
2. IUA (Infrastructure) adds \$2.0 million federal
3. Includes authority for IUA (infrastructure) - \$18.4 million federal

AHFC Capital Projects - Corporate Dividends:	\$18,200.0
AHFC Debt Service:	\$8,415.0
AHFC Funding For Other State Projects:	\$0.0
MHTAAR & State GF Mental Health Programs:	\$4,250.0
Statutory Designated Program Receipts (SDPR) ¹	\$500.0
State GF AHFC Programs :	\$20,000.0
Total State UGF, AHCC & AHFC:	\$51,365.0
Total Federal:	\$39,586.8
Total:	\$90,951.8

AHFC Capital Projects - Corporate Dividends:	\$18,200.0	\$0.0
AHFC Debt Service:	\$8,415.0	\$0.0
AHFC Funding For Other State Projects:	\$0.0	\$0.0
MHTAAR & State GF Mental Health Programs:	\$2,500.0	\$1,750.0
Statutory Designated Program Receipts (SDPR) ¹	\$500.0	\$0.0
State GF AHFC Programs :	\$1,500.0	\$18,500.0
Total State UGF, AHCC & AHFC:	\$31,115.0	\$20,250.0
Total Federal:	\$17,200.0	\$22,386.8
Total:	\$48,315.0	\$42,636.8

FY2027 – FY2037 Ten Year Plan

Alaska Housing Finance Corporation Operating Component and Capital Budget

Operating Budget Request

Component	Program	Funding (Thousands) By Appropriation Year											
		Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Alaska Housing Finance Corporation Operations (110)	Maintain Services	114,054	16,315	0	0	0	0	0	0	0	0	0	0
	New Initiatives (None)	0	0	0	0	0	0	0	0	0	0	0	0
Alaska Housing Finance Corporation Facility Maintenance and Operations (3522) ¹	Maintain Services	1,476	0	0	0	0	0	0	0	0	0	0	0
	New Initiatives (None)	0	0	0	0	0	0	0	0	0	0	0	0
Alaska Corporation for Affordable Housing (3048)	Maintain Services	520	6	0	0	0	0	0	0	0	0	0	0
	New Initiatives (None)	0	0	0	0	0	0	0	0	0	0	0	0
Alaska Sustainable Energy Corporation (3520)	Maintain Services	20,403	65	0	0	0	0	0	0	0	0	0	0
	New Initiatives (None)	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating:		\$136,453	\$16,387	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Budget Request

Component	Program	Funding (Thousands) By Appropriation Year											
		Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Alaska Corporation for Affordable Housing	Affordable Housing Development Program	11,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Alaska Housing Finance Corporation	Competitive Grants For Public Housing	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350
	Building Science and Energy Efficiency Activities	0	500	500	500	500	500	500	500	500	500	500	500
	Energy Program - Weatherization	5,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
	Federal and Other Competitive Grants	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	HUD Capital Fund Program (CFP)	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
	HUD Federal HOME Program	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750
	Rental Assistance (ECHP)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	Rural Professional Housing	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
	Senior Citizen Housing Program	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Statewide Housing Development Fund	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Supplemental Housing Development Program	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Alaska Housing Finance Corporation/Mental Health Budget	Beneficiary and Special Needs Housing	1,950	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700
	Homeless Assistance Program	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150
	Rural Housing Coordinator Program Ketchikan	135	135	135	135	135	135	135	135	135	135	135	135
Alaska Sustainable Energy Corporation	Federal and Other Grants	0	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total Capital:		\$65,635	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885

Notes:

- Legislative intent language passed in 2024 now requires AHFC to report non-dwelling budget items separately in the management plan. Item is a subcomponent of AHFC Operating Component (110).

AHFC Maintain Services – Operating Component

Funding (Thousands) By Appropriation Year

	Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Total Category¹	\$114,054	\$16,315	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71000 Personal Services ^{2,4}	49,527	1,515	969	987	1,006	1,025	1,044	1,064	1,084	1,104	1,125	1,146
72000 Travel	547	0	0	0	0	0	0	0	0	0	0	0
73000 Services	26,659	0	(969)	(987)	(1,006)	(1,025)	(1,044)	(1,064)	(1,084)	(1,104)	(1,125)	(1,146)
74000 Commodities	3,015	0	0	0	0	0	0	0	0	0	0	0
75000 Capital Outlay	1,057	0	0	0	0	0	0	0	0	0	0	0
77000 Grants ⁴	33,249	14,800	0	0	0	0	0	0	0	0	0	0
Total Funding Source	\$114,054	\$16,315	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1002 Federal - HUD	71,924	15,692	0	0	0	0	0	0	0	0	0	0
1002 Federal - ASEC	0	0	0	0	0	0	0	0	0	0	0	0
1004 Unrest. Gen Funds	0	0	0	0	0	0	0	0	0	0	0	0
1007 I/A Authority	797	0	0	0	0	0	0	0	0	0	0	0
1037 GF/MH	0	0	0	0	0	0	0	0	0	0	0	0
1061 CIP	2,680	34	0	0	0	0	0	0	0	0	0	0
1092 MHTAAR	200	0	0	0	0	0	0	0	0	0	0	0
1103 AHFC Corporate	38,452	589	0	0	0	0	0	0	0	0	0	0

Notes:

1. Does not include miscellaneous expense, including AHFC Corporate Dividend appropriated to the State of Alaska
2. In FY2027, Personal Services receives a 2.5% COLA authorized through SB259 in the 33rd Legislature
3. Reflects a FY2026 Supplemental and FY2027 Increase to Personal Services
4. Reflects a FY2026 Supplemental and FY2027 Increase to Housing Assistance Payments (HAP) under the HUD Voucher Program

AHFC Maintain Services – Facilities Maintenance and Operations Component

Funding (Thousands) By Appropriation Year													
Base (2026) 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037													
Total Category	\$1,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71000 Personal Services	0	0	0	0	0	0	0	0	0	0	0	0	0
72000 Travel	0	0	0	0	0	0	0	0	0	0	0	0	0
73000 Services	1,343	0	0	0	0	0	0	0	0	0	0	0	0
74000 Commodities	70	0	0	0	0	0	0	0	0	0	0	0	0
75000 Capital Outlay	63	0	0	0	0	0	0	0	0	0	0	0	0
77000 Grants	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Funding Source	\$1,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1002 Federal - HUD	200	0	0	0	0	0	0	0	0	0	0	0	0
1002 Federal - ASEC	0	0	0	0	0	0	0	0	0	0	0	0	0
1004 Unrest. Gen Funds	0	0	0	0	0	0	0	0	0	0	0	0	0
1007 I/A Authority	0	0	0	0	0	0	0	0	0	0	0	0	0
1037 GF/MH	0	0	0	0	0	0	0	0	0	0	0	0	0
1061 CIP	0	0	0	0	0	0	0	0	0	0	0	0	0
1092 MHTAAR	0	0	0	0	0	0	0	0	0	0	0	0	0
1103 AHFC Corporate	1,276	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

Legislative intent language passed in 2024 now requires AHFC to report non-dwelling budget items separately in the management plan. Item is a subcomponent of AHFC Operating Component (110).

ACAH Maintain Services – Operating Component

Funding (Thousands) By Appropriation Year

	Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Total Category	\$520	\$6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71000 Personal Services ¹	319	6	6	6	6	6	7	7	7	7	7	7
72000 Travel	25	0	0	0	0	0	0	0	0	0	0	0
73000 Services	151	0	(6)	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(7)
74000 Commodities	12	0	0	0	0	0	0	0	0	0	0	0
75000 Capital Outlay	15	0	0	0	0	0	0	0	0	0	0	0
77000 Grants	0	0	0	0	0	0	0	0	0	0	0	0
Total Funding Source	\$39,970	\$6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1002 Federal - HUD	331	4	0	0	0	0	0	0	0	0	0	0
1002 Federal - ASEC	0	0	0	0	0	0	0	0	0	0	0	0
1004 Unrest. Gen Funds	0	0	0	0	0	0	0	0	0	0	0	0
1007 I/A Authority	797	0	0	0	0	0	0	0	0	0	0	0
1037 GF/MH	0	0	0	0	0	0	0	0	0	0	0	0
1061 CIP	190	3	0	0	0	0	0	0	0	0	0	0
1092 MHTAAR	200	0	0	0	0	0	0	0	0	0	0	0
1103 AHFC Corporate	38,452	0	0	0	0	0	0	0	0	0	0	0

Notes:

1. In FY2027, Personal Services receive a 2.5% COLA authorized through SB259 in the 33rd Legislature

ASEC Maintain Services – Operating Component

Funding (Thousands) By Appropriation Year

	Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Total Category	\$20,403	\$65	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71000 Personal Services ¹	259	65	6	6	6	6	7	7	7	7	7	7
72000 Travel	4	0	0	0	0	0	0	0	0	0	0	0
73000 Services	138	0	(6)	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(7)
74000 Commodities	2	0	0	0	0	0	0	0	0	0	0	0
75000 Capital Outlay	0	0	0	0	0	0	0	0	0	0	0	0
77000 Grants	20,000	0	0	0	0	0	0	0	0	0	0	0

	Base (2026)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Total Funding Source	\$20,403	\$65	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1002 Federal - HUD	0	0	0	0	0	0	0	0	0	0	0	0
1002 Federal - ASEC	20,000	0	0	0	0	0	0	0	0	0	0	0
1004 Unrest. Gen Funds	403	65	0	0	0	0	0	0	0	0	0	0
1007 I/A Authority	0	0	0	0	0	0	0	0	0	0	0	0
1037 GF/MH	0	0	0	0	0	0	0	0	0	0	0	0
1061 CIP	0	0	0	0	0	0	0	0	0	0	0	0
1092 MHTAAR	0	0	0	0	0	0	0	0	0	0	0	0
1103 AHFC Corporate	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

1. In FY2027, Personal Services receive a 2.5% COLA authorized through SB259 in the 33rd Legislature

FY 2027 – FY2037 AHFC, ACAH, ASEC Capital Budget

Component	Capital Program	Fund Source	Funding (Thousands) By Appropriation Year											
			2026 (Base)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Alaska Corporation for Affordable	Affordable Housing Development Program	Total	11,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
		1002	11,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Alaska Housing Finance Corporation	Competitive Grants For Public	Total	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350
		1002	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
		1139	350	350	350	350	350	350	350	350	350	350	350	350
	Building Science and Energy Efficiency Activities	Total	0	500	500	500	500	500	500	500	500	500	500	500
		1139	0	500	500	500	500	500	500	500	500	500	500	500
	Energy Program - Weatherization	Total	5,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
		1002	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
		1139	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
	Federal and Other Competitive Grants	Total	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
		1002	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
		1139	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	HUD Capital Fund Program (CFP)	Total	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
		1002	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
	HUD Federal HOME Program	Total	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750
		1002	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
		1139	750	750	750	750	750	750	750	750	750	750	750	750
	Rental Assistance (EHP)	Total	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
		1139	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	Rural Professional Housing	Total	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
		1002	500	500	500	500	500	500	500	500	500	500	500	500
		1108	500	500	500	500	500	500	500	500	500	500	500	500
		1139	10,550	10,550	10,550	10,550	10,550	10,550	10,550	10,550	10,550	10,550	10,550	10,550
	Senior Citizen Housing Program	Total	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
		1139	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Statewide Housing Development Fund	Total	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
		1139	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Supplemental Housing Development Program	Total	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
		1139	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000

FY 2027 – FY2037 AHFC, ACAH, ASEC Capital Budget (continued)

Component	Capital Program	Fund Source	Funding (Thousands) By Appropriation Year												
			2026 (Base)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Alaska Housing Finance Corp/Mental Health Budget	Beneficiary and Special Needs Housing	Total	1,950	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	
		1037	0	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	
		1092	200	200	200	200	200	200	200	200	200	200	200	200	
		1139	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	
	Homeless Assistance Program	Total	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	10,150	
		1037	0	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	
		1092	950	950	950	950	950	950	950	950	950	950	950	950	
		1139	9,200	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350	
	Rural Housing Coordinator Program - Ketchikan	Total	135	135	135	135	135	135	135	135	135	135	135	135	
		1092	135	135	135	135	135	135	135	135	135	135	135	135	
	Alaska Sustainable Energy Corporation	Federal and Other Grants	Total	0	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
			1002	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
1108			0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Total Capital Budget Projects			\$65,635	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885		

Total Capital Budget Projects			\$65,635	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885	\$112,885
AHFC Dividend Receipts	1139		34,600	38,250	38,250	38,250	38,250	38,250	38,250	38,250	38,250	38,250	38,250	38,250
Federal Funding	1002		29,250	63,250	63,250	63,250	63,250	63,250	63,250	63,250	63,250	63,250	63,250	63,250
Mental Health Trust Authority Dividend Receipts	1092		1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285
State UGF Funding	1004		0	0	0	0	0	0	0	0	0	0	0	0
State UGF Funding MH/GF	1037		0	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Statutory Designated Funding	1108		500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500

BOARD CONSIDERATION MEMORANDUM

Date: October 21, 2025

Staff: Jim McCall
Reviewer: Michelle Graves

Item: Authorization to hold public hearings regarding proposed amendments to 15 AAC 151.440 (Senior housing loan program); 15 AAC 151.542 (Multi-family loan purchase program); 15 AAC 151.545 (Multi-family, special needs, and congregate housing loans); 15 AAC 152.090 (Multi-family housing; conditions); and, 15 AAC 155.635 (Energy efficiency loan program).

Background:

15 AAC 151.440, 15 AAC 151.542, 15 AAC 152.090 and 15 AAC 155.635 requires Board of Director approval for all loans exceeding \$1,500,000. 15 AAC 151.545 requires Board of Director approval for all loans exceeding \$500,000.

Proposal:

Amend 15 AAC 151.440; 15 AAC 151.542; 15 AAC 151.545; 15 AAC 152.090; and, 15 AAC 155.635 to require Board of Director approval for all loans exceeding \$2,000,000.

Discussion:

Under current regulations, AHFC's multi-family loan programs have varying loan amounts requiring Board of Director approval. The current \$1.5 million approval threshold was established more than 30-years ago at a time when the cost to construct or rehabilitate a typical multi-family housing project was significantly lower as land, materials and labor costs were a fraction of current levels. In the mid-1990s, a \$1.5 million project may have financed 20 to 30 units, while today that same threshold may allow for 4 or 6 units, depending on location. Modernizing these approval thresholds will bring continuity to all multi-family loan programs, improve responsiveness to developers and housing partners and allow staff to move forward with mid-sized projects while still bringing larger and more complex developments to the Board.

Staff Recommendation:

Staff recommends amendments to the regulations described above to increase multi-family loan approval threshold requiring Board approval from \$500,000 or \$1,500,000 to \$2,000,000.

Staff requests authorization to hold a public hearing to obtain testimony regarding the proposed amendments. The findings of the public hearing and staff's recommendation will be presented to the Board for consideration prior to final adoption.

Board Action Request:

Staff requests the Board's consideration of the recommendation listed above and authorization to schedule a public hearing to obtain testimony regarding the proposed amendments to loan approval thresholds by AHFC's Board of Directors.

Copies of the proposed regulation amendments are attached.



Board Resolution of Alaska Housing Finance Corporation

Resolution No. 2025-19

RESOLUTION AUTHORIZING A PUBLIC HEARING FOR AMENDMENT TO 15 AAC 151.440 – SENIOR HOUSING LOAN PROGRAM.

WHEREAS, the Corporation's regulation 15 AAC 151.440 (Senior Housing Loan Program) is proposed for amendment to increase the loan approval threshold requiring approval by AHFC's Board of Directors from \$1,500,000 to \$2,000,000; and

WHEREAS, the provisions of AS 18.56.088(d) require that a public hearing be conducted prior to the adoption of any regulation amendment; and

WHEREAS, a copy of the draft amendment to 15 AAC 151.440 has been presented to the Board of Directors at this meeting;

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

- A. Staff is directed to hold a public hearing pursuant to AS 18.56.088(d) for consideration of the proposed amendment to the regulation as prepared and attached in support of this resolution; and
- B. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of Alaska Housing Finance Corporation this 21st day of October 2025.

Jess Hall, Board Chair



NOTICE Under AS 18.56.088(d), the agency's final regulations, or amendments of regulations, may vary in content from this proposal as long as the subject matter remains the same. If your interests could be affected by agency action on the subject of this proposal, you should make public comment to the agency during the time allowed.

HOW TO READ THESE PROPOSED REGULATIONS:

The introduction to each section will show whether it is an existing regulation being amended, an existing regulation being repealed and readopted, or a new regulation.

In amendments to existing regulations:

Underlined and bold language is new.

[UPPERCASE LANGUAGE WITHIN BRACKETS IS DELETED]

A proposed new regulation or replacement of an existing regulation will not be underlined.

15 AAC 151.440. Board approval.

Any loan application submitted under 15 AAC 151.400 that staff of the corporation determines substantially meets the program criteria of 15 AAC 151.400 - 15 AAC 151.435 but that exceeds [\$1,500,000] **\$2,000,000** must be presented to the board of directors for review and specific direction regarding loan approval or rejection.

Board Resolution of Alaska Housing Finance Corporation

Resolution No. 2025-20

RESOLUTION AUTHORIZING A PUBLIC HEARING FOR AMENDMENT TO 15 AAC 151.542 – MULTI-FAMILY LOAN PURCHASE PROGRAM.

WHEREAS, the Corporation's regulation 15 AAC 151.542 (Multi-Family Loan Purchase Program) is proposed for amendment to increase the loan approval threshold requiring approval by AHFC's Board of Directors from \$1,500,000 to \$2,000,000; and

WHEREAS, the provisions of AS 18.56.088(d) require that a public hearing be conducted prior to the adoption of any regulation amendment; and

WHEREAS, a copy of the draft amendment to 15 AAC 151.542 has been presented to the Board of Directors at this meeting;

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

- A. Staff is directed to hold a public hearing pursuant to AS 18.56.088(d) for consideration of the proposed amendment to the regulation as prepared and attached in support of this resolution; and
- B. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of Alaska Housing Finance Corporation this 21st day of October 2025.

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15 AAC 151.542. Multi-family loan purchase program. (a) The Corporation will, in its discretion, purchase or participate in the purchasing of loans to acquire, rehabilitate or refinance multi-family housing. Loans purchased, in whole or in part, under this section must be originated and serviced by multi-family lenders approved by the Corporation. Loans under this section shall satisfy the requirements of 15 AAC 151.500 - 15 AAC 151.545 except as otherwise provided in this section. Loans made under this section are not subject to the requirements of 15 AAC 151.510(a)(1), (a)(4) and 15 AAC 151.530. Any loan application made under this section that is [\$1,500,000] **\$2,000,000** or less is not subject to 15 AAC 151.545. (b) A multi-family lender may participate in a loan, subject to (c)(6) of this section, in an amount as it determines. The term and interest rate of the participation lender's share of the loan may vary from that of the Corporation's share at the discretion of the Corporation. (c) The total principal amount of a participation loan may not exceed the lesser of 80% of the appraised value of the property or: (1) for an acquisition: 80% of the acquisition price; (2) for an acquisition with rehabilitation: the total of 80% of the acquisition price, 100% of the allowable costs to rehabilitate and 100% of other transaction costs approved by the Corporation; (3) for an existing debt refinancing: 100% of the amount necessary to pay the outstanding principal amount of the debt being refinanced and any refinancing costs approved by the Corporation; (4) for an existing debt refinancing with rehabilitation: the total of 100% of the allowable costs to rehabilitate, the amount of the debt being refinanced and any other refinancing costs approved by the Corporation; (5) for a construction loan refinancing: 100% of the allowable developmental costs to construct; and (6) for a refinancing with cash-out to the borrower: 80% of the appraised value of the property; however, the lender must participate in the loan in an amount at least equal to the amount of the cash-out to the borrower. However, if any of the cash-out is used for the acquisition and/or improvement of another multi-family property, or to pay down the balance of a loan on a property to be refinanced under 15 AAC 151.500 or 15 AAC 152, the lender is not required to participate for that amount,

provided the cash-out is disbursed in accordance with requirements imposed by the Corporation. (d) The Corporation will, in its discretion, enter into a commitment agreement to participate in a loan for a maximum commitment period of one year. The Corporation shall have the option to extend such commitment periods as it determines necessary. (e) A loan made under this section must be in a first lien position of real property in fee simple or on an acceptable leasehold estate which must run a minimum of ten years beyond the expiration of the loan. Any subordinate financing must be approved by the Corporation. (f) Loans made under this section shall be for housing consisting of buildings with at least five dwelling units. Buildings need not be located on contiguous property. Loans made under this section that contain commercial uses must have the commercial uses located within the building. (g) The Corporation shall charge a fee of \$1,000 for review of a participation loan application which shall be credited towards the commitment fee if a commitment is issued. The commitment fee shall be .5% of the committed loan amount for commitment terms up to three months; .625% of the committed loan amount for commitment terms up to six months; .75% of the committed loan amount for commitment terms up to nine months; and 1.0% of the committed loan amount for commitment terms up to one year. An extension fee of .5% shall be charged for each 90-day extension of the commitment period.

Board Resolution of Alaska Housing Finance Corporation

Resolution No. 2025-21

RESOLUTION AUTHORIZING A PUBLIC HEARING FOR AMENDMENT TO 15 AAC 151.545 – MULTI-FAMILY, SPECIAL NEEDS, AND CONGREGATE HOUSING LOANS.

WHEREAS, the Corporation's regulation 15 AAC 151.545 (Multi-Family, Special Needs, and Congregate Housing Loans) is proposed for amendment to increase the loan approval threshold requiring approval by AHFC's Board of Directors from \$500,000 to \$2,000,000; and

WHEREAS, the provisions of AS 18.56.088(d) require that a public hearing be conducted prior to the adoption of any regulation amendment; and

WHEREAS, a copy of the draft amendment to 15 AAC 151.545 has been presented to the Board of Directors at this meeting;

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

- A. Staff is directed to hold a public hearing pursuant to AS 18.56.088(d) for consideration of the proposed amendment to the regulation as prepared and attached in support of this resolution; and
- B. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of Alaska Housing Finance Corporation this 21st day of October 2025.

Jess Hall, Board Chair



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A proposed new regulation or replacement of an existing regulation will not be underlined.

15 AAC 151.545. Board approval. Any loan application submitted under 15 AAC 151.500 that staff of the Corporation determines substantially meets the program criteria of 15 AAC 151.500 and exceeds [\$500,000] **\$2,000,000** must be presented to the Board of Directors for review and specific direction regarding loan approval or rejection.

Board Resolution of Alaska Housing Finance Corporation

Resolution No. 2025-22

RESOLUTION AUTHORIZING A PUBLIC HEARING FOR AMENDMENT TO 15 AAC 152.090 – MULTI-FAMILY HOUSING; CONDITIONS.

WHEREAS, the Corporation's regulation 15 AAC 152.090 (Multi-Family Housing; Conditions) is proposed for amendment to increase the loan approval threshold requiring approval by AHFC's Board of Directors from \$1,500,000 to \$2,000,000; and

WHEREAS, the provisions of AS 18.56.088(d) require that a public hearing be conducted prior to the adoption of any regulation amendment; and

WHEREAS, a copy of the draft amendment to 15 AAC 152.090 has been presented to the Board of Directors at this meeting;

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

- A. Staff is directed to hold a public hearing pursuant to AS 18.56.088(d) for consideration of the proposed amendment to the regulation as prepared and attached in support of this resolution; and
- B. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of Alaska Housing Finance Corporation this 21st day of October 2025.

Jess Hall, Board Chair



NOTICE Under AS 18.56.088(d), the agency's final regulations, or amendments of regulations, may vary in content from this proposal as long as the subject matter remains the same. If your interests could be affected by agency action on the subject of this proposal, you should make public comment to the agency during the time allowed.

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A proposed new regulation or replacement of an existing regulation will not be underlined.

15 AAC 152.090. Multi-family housing; conditions. (a) All loans for multi-family housing are subject to the following conditions: (1) the Corporation will not originate or purchase a loan for a property which: (A) is financed in a principal amount in excess of [\$1,500,000] **\$2,000,000**, unless approved by the board; (B) has a loan-to-value ratio in excess of (i) 80 percent for all dwellings which consist of three or more living units and non-owner occupied duplexes; or (ii) 90 percent for owner occupied duplexes; (C) violates any applicable law, regulation, ordinance, or building code; (2) the borrower must demonstrate the need for the project and its economic feasibility; and (3) in the absence of a municipal code which imposes water and sewer system standards for the project, the project must comply with applicable Department of Environmental Conservation regulations with respect to water and sewer systems; if the project is located within a municipality whose building code imposes water and sewer standards, the project must comply with the applicable municipal code. (b) Assumptions of loans under this section may be permitted with the written approval of the Corporation.

Board Resolution of Alaska Housing Finance Corporation

Resolution No. 2025-23

RESOLUTION AUTHORIZING A PUBLIC HEARING FOR AMENDMENT TO 15 AAC 155.635 – ENERGY EFFICIENCY LOAN PROGRAM.

WHEREAS, the Corporation's regulation 15 AAC 155.635 (Energy Efficiency Loan Program) is proposed for amendment to increase the loan approval threshold requiring approval by AHFC's Board of Directors from \$1,500,000 to \$2,000,000; and

WHEREAS, the provisions of AS 18.56.088(d) require that a public hearing be conducted prior to the adoption of any regulation amendment; and

WHEREAS, a copy of the draft amendment to 15 AAC 155.635 has been presented to the Board of Directors at this meeting;

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

- A. Staff is directed to hold a public hearing pursuant to AS 18.56.088(d) for consideration of the proposed amendment to the regulation as prepared and attached in support of this resolution; and
- B. This resolution shall take effect immediately.

PASSED AND APPROVED by the Board of Directors of the Alaska Housing Finance Corporation this 21st day of October 2025.

Jess Hall, Board Chair



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In amendments to existing regulations:

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A proposed new regulation or replacement of an existing regulation will not be underlined.

15 AAC 155.635. Board approval. Any loan application submitted under 15 AAC 155.600 that staff of the Corporation determines substantially meets the program criteria of 15 AAC 155.600 and exceeds [\$1,500,000] **\$2,000,000** must be presented to the board of directors for review and specific direction regarding loan approval or rejection.

Draft Resolution

WHEREAS, the Alaska Housing Finance Corporation (AHFC) is a public corporation of the State of Alaska dedicated to providing housing; and

WHEREAS, AHFC issues Requests for Proposals (RFPs) to procure goods and services; and

WHEREAS, certain vendors, including financial institutions and service providers, have publicly stated policies contrary to the state of Alaska's anti-discrimination policy; and

WHEREAS, it is necessary to document whether or not prospective vendors have non-abrogated (still effective) policies contrary to the state of Alaska's;

NOW, THEREFORE, BE IT RESOLVED that:

1. AHFC staff shall incorporate into all future RFPs a requirement for vendors to certify that, if the vendor has a so called 'Diversity, Equity, and Inclusion' policy, that such policy does not conflict with the state of Alaska's anti-discrimination policy.

Draft Resolution

WHEREAS, the Alaska Housing Finance Corporation (AHFC) is a public corporation of the State of Alaska dedicated to providing housing; and

WHEREAS, AHFC issues Requests for Proposals (RFPs) to procure goods and services; and

WHEREAS, certain vendors, including financial institutions and service providers, have publicly stated policies or commitments to divest from or avoid investments in Alaska, particularly in sectors critical to the state's economy such as energy and natural resources, which could undermine AHFC's ability to fulfill its mission and harm Alaska's residents; and

WHEREAS, incorporating evaluation criteria in RFPs regarding vendors' public statements on investment in Alaska promotes alignment with state priorities, similar to existing anti-boycott certifications required in state contracts (e.g., under Administrative Order No. 352); and

WHEREAS, consideration of such statements that are contrary to the public interest could include deducting evaluation points for non-abrogated (still effective) statements;

NOW, THEREFORE, BE IT RESOLVED that:

1. AHFC staff shall incorporate into all future RFPs a requirement for vendors to certify whether they have an active public statement discouraging investing in Alaska.
2. AHFC's procurement policies shall be updated to include guidelines for assessing vendor investment statements, including a process for vendors to provide explanations or mitigations.

ALASKA HOUSING FINANCE CORPORATION

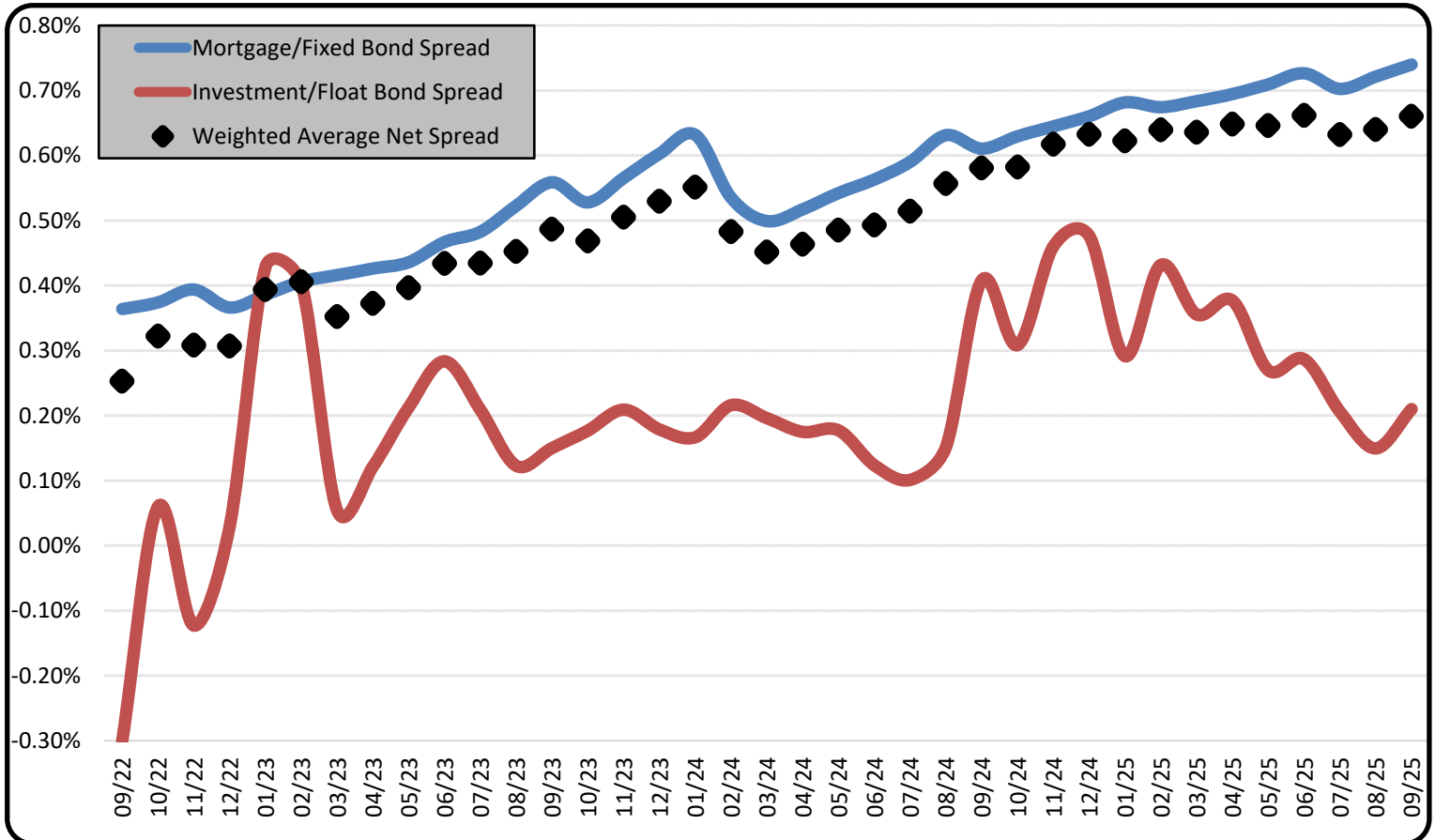
Finance Board Report - October 2025

PORTFOLIO/ACTIVITY:

(\$ in Thousands)

	Current	1 Month Ago		1 Year Ago		3 Years Ago	
	09/30/25	08/31/25	Change	09/30/24	Change	09/30/22	Change
Total Mortgage Portfolio	4,059,262	4,016,507	1%	3,761,041	8%	3,118,674	30%
Total Bonds Outstanding	2,927,175	2,827,175	4%	2,739,675	7%	2,287,910	28%
Mortgage/Bond Ratio	1.39	1.42	(2%)	1.37	1%	1.36	2%
Mortgage Purchases (12 Months)	625,941	627,718	(0%)	656,911	(5%)	556,954	12%
Mortgage Payoffs (12 Months)	185,358	182,271	2%	127,246	46%	330,289	(44%)
Purchase/Payoff Variance	440,583	445,447	(1%)	529,666	(17%)	226,665	94%
Bond Issuances (12 Months)	343,000	370,100	(7%)	545,215	(37%)	420,495	(18%)
Special Redemptions (12 Months)	176,720	176,720	0%	89,370	98%	375,200	(53%)
Issuance/Redemption Variance	166,280	193,380	(14%)	455,845	(64%)	45,295	267%
Mortgage Average Rate	4.86%	4.84%	0%	4.65%	5%	4.03%	21%
Fixed Bond Average Rate	4.13%	4.12%	0%	4.04%	2%	3.67%	13%
Mortgage/Fixed Bond Spread	0.73%	0.72%	1%	0.61%	20%	0.36%	103%
Current Cash Investment Rate	4.27%	4.40%	(3%)	5.16%	(17%)	2.81%	52%
Current Floating Bond Rate	4.06%	4.25%	(4%)	4.75%	(15%)	3.12%	30%
Investment/Float Bond Spread	0.21%	0.15%	40%	0.41%	(49%)	(0.31%)	168%

AHFC Leverage Spreads by Month



ALASKA HOUSING FINANCE CORPORATION

Finance Board Report - October 2025

VETERANS BOND 2025 - SOURCES & USES:

Description	Total
Par Amount	100,000,000
AHFC Contribution	2,756,256
Total Sources	102,756,256
Veterans Mortgages	100,000,000
Debt Service Reserve	1,760,000
Underwriter Discount	996,256
Total Uses	102,756,256

VETERANS BOND 2025 - BOND STATISTICS:

Bond Type	Vets Housing
Tax Status	Tax-Exempt
Interest Type	Fixed
Credit Ratings	AAA/Aaa
Issuance Date	09/30/25
Final Maturity Date	12/01/54
Bond Yield	4.59%
Winning Bidder	Robert Baird

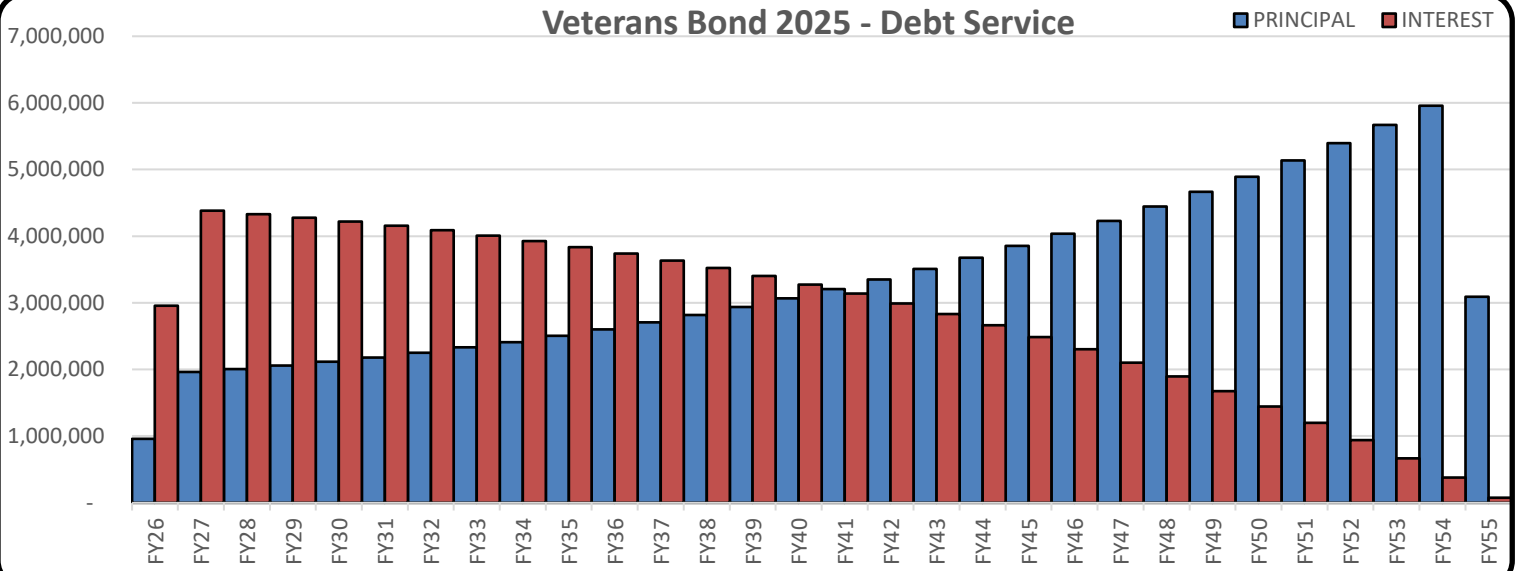
VETERANS BOND HISTORY SINCE 1983:

BOND AUTHORIZATIONS	3,300,000,000
BONDS ISSUED	2,940,285,000

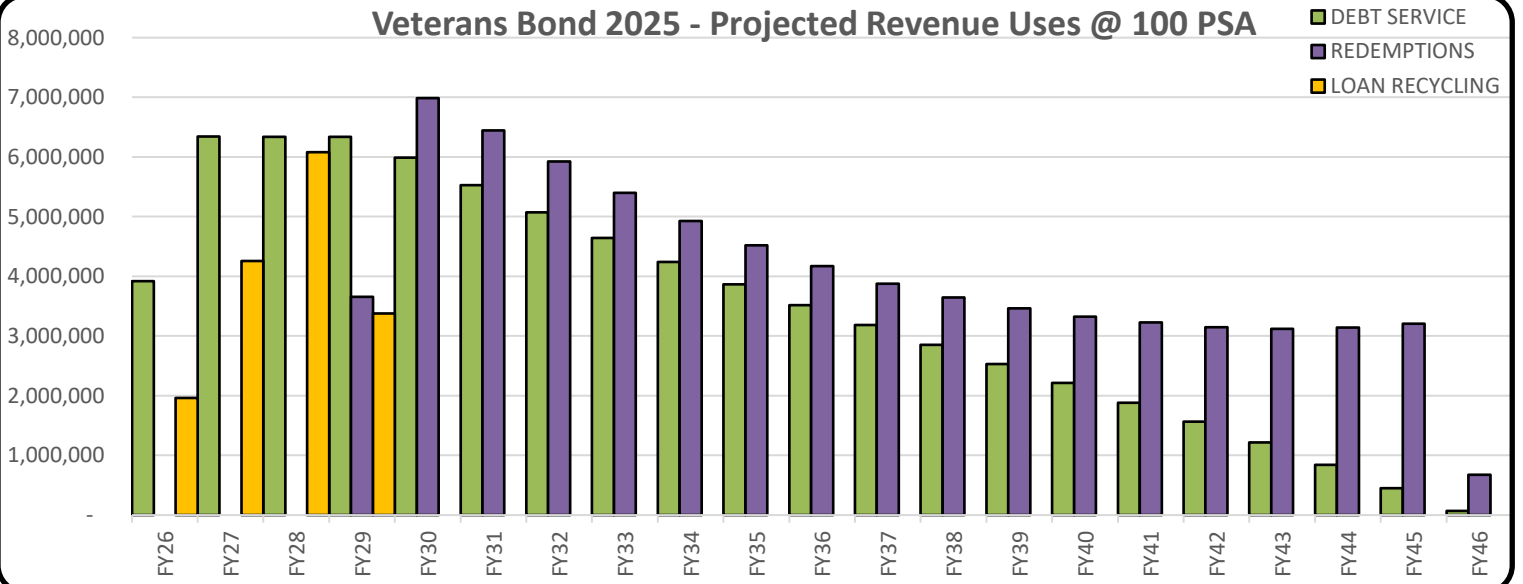
CURRENT VETERANS PORTFOLIO:

BONDS OUTSTANDING	256,720,000
MORTGAGE PROGRAM	319,095,000

Veterans Bond 2025 - Debt Service



Veterans Bond 2025 - Projected Revenue Uses @ 100 PSA



ALASKA HOUSING FINANCE CORPORATION

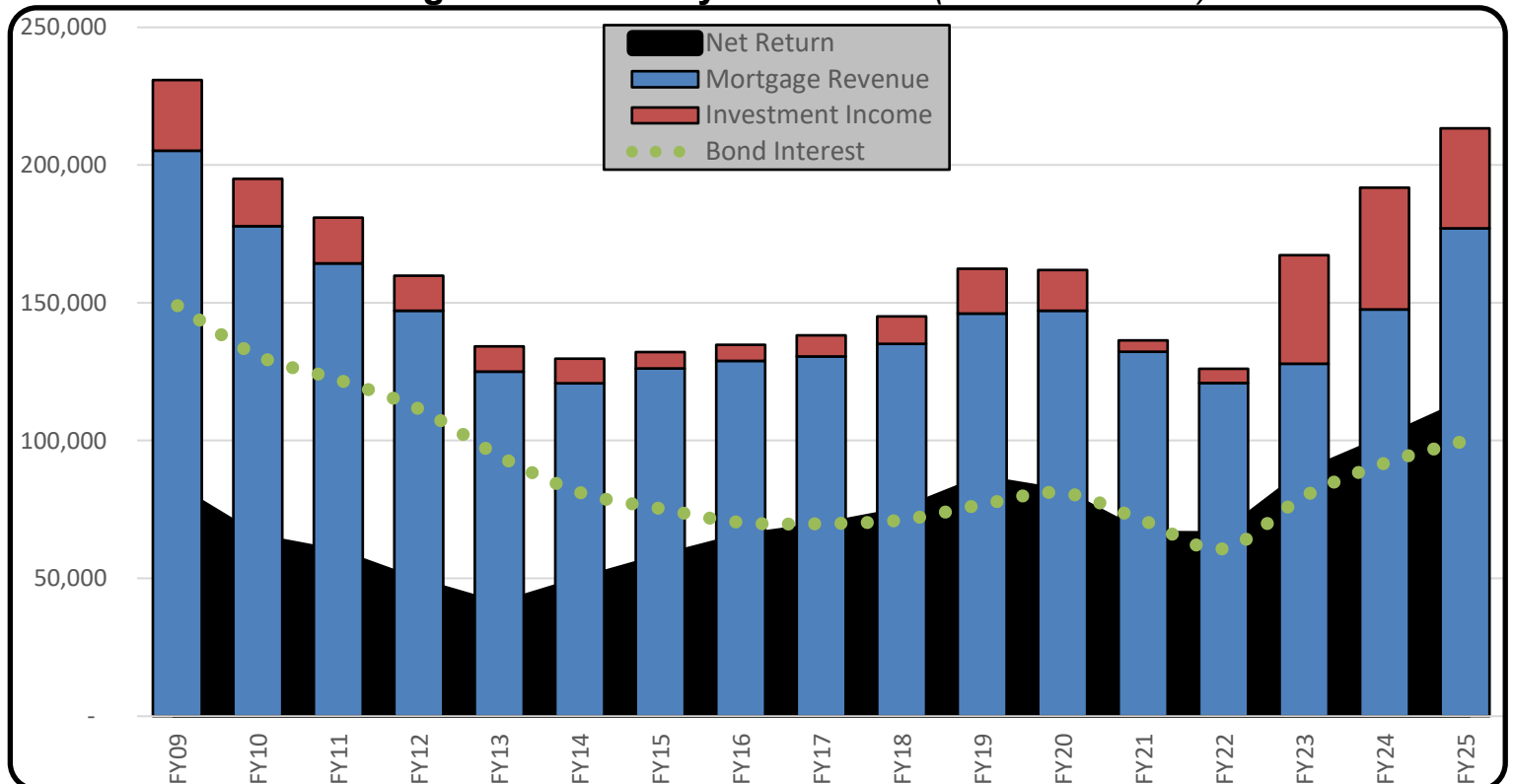
Finance Board Report - October 2025

FINANCIAL STATEMENTS:

(\$ in Thousands)

	Current Year	1 Year Ago	2 Years Ago
	FY25 Q4	FY24 Q4	FY23 Q4
Mortgage and Loan Revenue	177,021	147,583	127,895
Grant, Subsidy & Rental Revenue	169,280	117,374	168,166
Total Investment Income	36,248	44,241	39,401
Other Revenues	8,491	3,021	3,165
Total Operating Revenues	391,040	312,219	338,627
Bond Interest Expenses	99,980	91,885	79,853
Grant, Subsidy & Rental Expense	144,459	109,098	155,189
Operations and Administration	66,060	53,648	47,774
Other Expenses	30,826	27,337	18,975
Total Operating Expenses	341,325	281,968	301,791
Total Operating Income	49,715	30,251	36,836
Contributions to State of Alaska	3,324	5,665	8,047
Change in Net Position	46,391	24,586	28,789
Dividend Contributions & Adjustments	25,975	25,794	35,091
Adjusted Change in Net Position	72,366	50,380	63,880
Dividend Calculation (75%)	54,275	37,785	47,910
Total Assets w/ Deferred Outflows	4,783,855	4,516,164	4,324,347
Total Liabilities w/ Deferred Inflows	3,084,628	2,863,328	2,696,097
Net Position	1,699,227	1,652,836	1,628,250

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



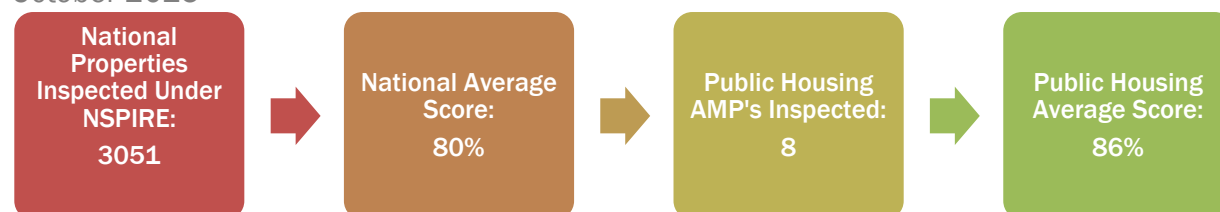
Mortgage Operations

MORTGAGE ACTIVITY SUMMARY LOANS PURCHASED BY PROGRAM

LOAN PROGRAM	September 2025		September 2024		FY 2026 Thru 09/30/2025		FY 2025 Thru 09/30/2024	
	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume	# of Loans	Total Dollar Volume
First Home	42	17,678,876	44	17,881,675	107	44,500,514	136	51,228,038
First Home Limited	39	11,404,922	58	16,863,242	123	35,755,189	137	37,292,763
My Home	52	25,938,184	32	14,185,120	147	66,454,556	162	68,476,287
Rural Loan Program	13	5,338,361	23	7,855,436	40	14,144,133	50	16,717,617
Second Mortgage Program	1	99,000	2	310,000	1	99,000	5	985,182
Uniquely Alaskan	0	0	0	0	2	661,000	0	0
Veterans Mortgage Program	23	10,398,036	28	14,538,927	67	31,199,828	78	37,836,002
Residential Loan Program Totals	170	70,857,379	187	71,634,400	487	192,814,220	568	212,535,889
Condominium Association Loans	1	57,900	0	0	3	274,500	0	0
Multi-Family Lender Originated	1	1,183,250	1	2,971,000	1	1,183,250	4	4,238,800
Multi-Family, Congregate, Special Needs	0	0	2	769,500	0	0	3	1,385,500
Multi-Family Loan Program Totals	2	1,241,150	3	3,740,500	4	1,457,750	7	5,624,300
Total Loans Purchased	172	72,098,529	190	75,374,900	491	194,271,970	575	218,160,189
LOAN PROGRAM OPTIONS (Included in Total Loans Purchased)								
Energy Efficiency Interest Rate Reduction	10	3,551,679	4	2,136,000	22	9,365,204	16	7,116,354
Interest Rate Reduction Low Income Borrowers	2	297,000	1	189,050	5	986,000	4	741,462
Renovation Options	3	1,040,978	2	689,060	6	2,156,119	11	4,313,532
Streamline Refinances	0	0	0	0	0	0	0	0

Public Housing Update

October 2025



Operations Updates:

HUD – National Standards for the Physical Inspection of Real Property (NSPIRE):

The department is implementing NSPIRE inspection protocols for Voucher programs as of October 1, 2025. Public housing and Section 8 New programs have been using the inspection criteria since 2024. The data above is from HUD collective data from 2024, we have since had 4 other properties inspected in 2025. Two of the properties scoring 99.

Facilities Management Updates:

- **Anchorage** – 8512 East 4th Foundation repair underway, Rock Solid Piling Co. Chugach View Refrigerator replacements ordered, Lowes. 124 N Bliss Fire rehabilitation awarded, CMC Construction.
- **Wasilla** – Williwa Fencing Repairs, awaiting completion by DOT.
- **Bethel** – Foundation Leveling phase III complete, H Construction.
- **Cordova** – Sunset View Fire System Upgrades underway, Wolverine Supply, Inc.
- **Fairbanks** – Golden Towers DWV Replacement underway, Alaska Range LLC. Birch Park II Roof Replacement complete, DayNight Construction. Birch Park I Flatwork Repair complete, Groundhogs LLC. Mountain View DSX Upgrades awarded, Long Building Technologies. Smoke and CO detector replacements ordered, Grainger.
- **Juneau** – Mountain View Siding and Window Replacement nearing completion, Wolverine Supply. Cedar Park and Mountain View UST Replacement A/E underway, Design Alaska. Cedar Park Parking Lot Improvements underway, SECON. Mountain View Access Control upgrade awarded, Long Building Technologies.
- **Ketchikan** – Schoenbar Park Repave underway, Colaska, Inc dba Secon. Schoenbar Park Security Camera upgrades awarded, Siemens.
- **Nome** – Foundation Leveling Phase IV complete, Run it Wild. Boiler Replacement Phase III awarded, Scott's Plumbing and Heating.
- **Seward** – Boiler Service complete, Alaska Boiler & Burner LLC.
- **Wrangell** – Security Camera upgrades awarded, Siemens.
- **Corporate** – David Gonzalez Training Center at 700 Bragaw Build-Out ongoing. 700 Bragaw HVAC upgrades underway.
- **Statewide** – Lead and Asbestos certification review underway.

-
- **Extraordinary Maintenance Team (EMT)** – Laborer position & Temporary Mechanic position vacant, conducting interviews.

Research and Rural Development Department

October 21, 2025 Board Report

Research and Rural Development Department staff 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.

AHFC originally released AkWarm, our proprietary energy modeling software, in 1996 as a tool for builders, designers, energy raters, lenders, and homeowners. The software can be used for energy design, retrofit, or to determine an energy rating. AHFC updates and maintains AkWarm and provides it free of use to encourage energy efficient construction throughout the state. It is the software that all Energy Raters use to produce a PUR 101 Energy Certificate as well as Weatherization Providers to evaluate potential homes, including conducting a pre-weatherization rating, an improvement options report and a post-weatherization report.

In order to meet compliance with Department of Energy's updated Weatherization Assistance Program requirements and forthcoming Home Efficiency Rebate program requirements, AkWarm needed to be configured to achieve BPI-2400 compliance. BPI-2400 is a standard for calibrating pre-retrofit energy models to actual historical utility bills, providing an additional level of accuracy in predicting energy savings from whole-house energy efficiency programs. At its core, BPI-2400 functionality allows users to compare energy modeling to the actual energy usage of a house by importing 12 consecutive months of utility bills and using Typical Meteorological Year (TMY3) data to adjust for weather variability.

AHFC had previously attempted to achieve BPI-2400 compliance with the AkWarm software over a decade ago, but the software was not designed to properly model the hot-climate cooling tests and the modeled homes based on Las Vegas, Nevada and Colorado Springs, Colorado. As these conditions were not found in Alaska, the effort was halted at the time. With the updated requirements from DOE this effort was revived in late 2024 and working with our partner Ian Moore at Alaska Map Science (AMS), and staff at the National Renewable Energy Laboratory, after more than a year of hard work to update AkWarm to model different conditions and compare actual utility costs to modeled energy usage, AkWarm passed all the required tests to receive BPI-2400 compliance and received DOE approval as an Energy Audit Tool for both the Weatherization Assistance Program and The Home Efficiency Rebate Program on September 29th.

Planning and Program Development

October, 2025

Fast Facts

- Managing 20 Active Housing Programs
- Managing 215 Active Grant Agreements, Tax Credit Awards and Contracts
- Quick Program Updates
 - o In September, AHFC closed on a land acquisition with the University of Alaska to facilitate future affordable and / or mixed income housing across fourteen parcels.
 - o In October, hosting a joint program convening for homeless and supportive housing partners (in partnership with the Alaska Mental Health Trust Authority) as well as debrief for COVID Relief program funding partners in October.

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

- Emergency Shelter: 822
- Transitional Housing: 329
- Prevention Programs: 237 – 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

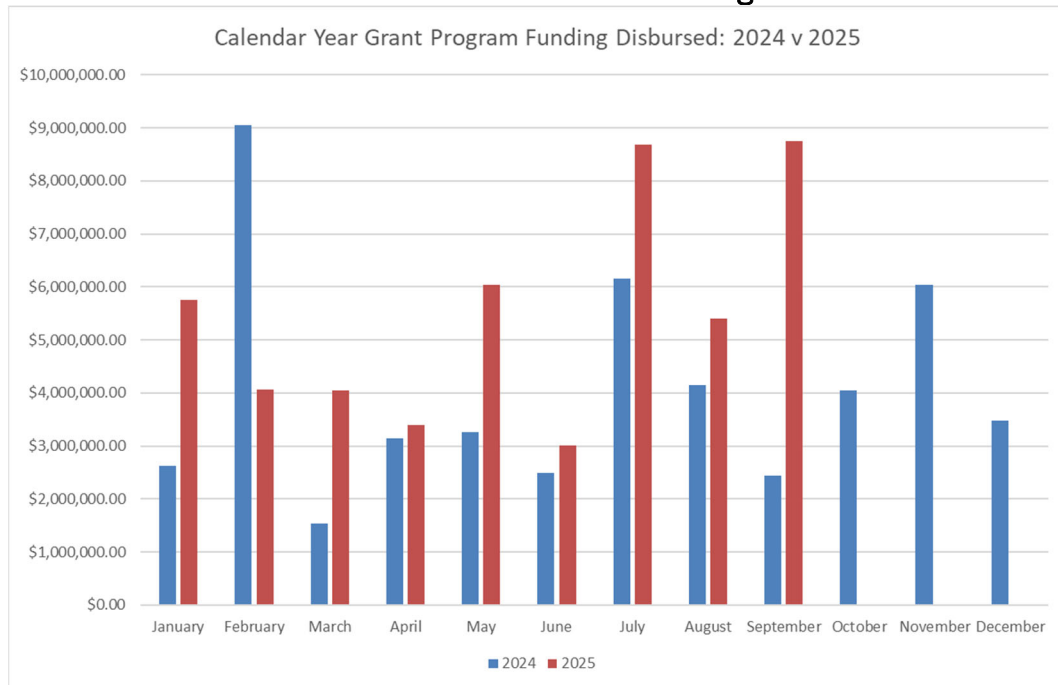
Development Programs Activity

Active Developments by Housing Type	Number of Active Awards Managed	Housing Units Being Built	Total Development Costs
Families	17	291	\$132,946,344.00
Rural Professionals	39	142	\$62,192,846.00
Senior Housing	3	52	\$15,259,575.00
Supportive Housing	4	120	\$33,642,648.22
Grand Total	63	605	\$244,041,413.22

Development Program Notes:

- 49 distinct development partners are currently building in 43 distinct communities
- 32 of 43 communities with active developments meet AHFC's small community definition

Disbursement Trends across All Programs



Disbursement Activity Notes:

- Fifty-six (56) disbursements were processed during the month of September. 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 2025 BOARD MEETING SCHEDULE

January 29, 2025 - ~~ASEC Organizational Meeting & AHFC Regular~~

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

March 26, 2025 – ~~AHFC Regular Board Meeting~~

April 30, 2025 - ~~AHFC Regular~~ - **Cancelled**

May 28, 2025 – ~~Audit Committee, AHCC Annual Board & AHFC Regular~~

June 25, 2025 - ~~AHFC Regular Board Meeting~~

July 30, 2025 - ~~ASEC Board~~ - **Rescheduled** & ~~AHFC Regular Board meeting~~ –
Cancelled

August 27, 2025 – ~~ASEC Board & AHFC Annual Board Meeting – Homer~~

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

October 22, 2025 - Audit Committee, AHFC Regular & ACAH Annual Board –
Rescheduled to October 21, 2025.

November 19, 2025 - NTSC Annual Board & AHFC Regular – **Rescheduled to December 3, 2025.**

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

