

ALASKA HOUSING FINANCE CORPORATION  
BOARD OF DIRECTORS

REGULAR MEETING

July 27, 2016

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met July 27, 2016 in the AHFC board room, 4300 Boniface Parkway in Anchorage, AK at 10:00 a.m. Board members present were:

**BRENT LEVALLEY**  
Anchorage

**BOARD CHAIR**  
Member of the Board

**HAVEN HARRIS**  
Anchorage

Member of the Board

**ALAN WILSON**  
Via teleconference

Member of the Board

**CAROL GORE**  
Via teleconference

Member of the Board

**JERRY BURNETT**  
Via teleconference

Designee for Commissioner  
Department of Revenue  
Member of the Board

- I. **ROLL CALL.** A quorum was declared present and the meeting was duly and properly convened for the transaction of business.
- II. **APPROVAL OF AGENDA.** CHAIR LEVALLEY proposed the agenda be approved as presented. Seeing and hearing no objections, the agenda was approved as presented.
- III. **MINUTES OF JUNE 29, 2016.** CHAIR LEVALLEY asked for revisions or acceptance of the minutes. Seeing and hearing no objection, the minutes were approved as presented.
- IV. **PUBLIC COMMENTS.** In Anchorage: no public were present. In Fairbanks: no public were present. In Juneau: no public were present.
- V. **OLD BUSINESS.** No Old Business to discuss with the Board.

VI. A. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$647,600 FOR THE LONG TERM FINANCING OF A PROPOSED 23 UNIT AFFORDABLE MULTIFAMILY HOUSING PROJECT TO BE KNOWN AS "SAFE HARBOR MULDOON" AND LOCATED IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that Muldoon Garden Limited Partnership has presented the corporation with an opportunity to assist in the development of the subject property allowing them to provide safe and needed affordable housing in the Anchorage area. They are requesting term loan financing for the development of a low-income multifamily apartment complex consisting of 23 units named "Safe Harbor Muldoon" and is located at 207 Muldoon Road in Anchorage, Alaska. Discussion followed. CAROL GORE made a motion to approve Resolution 2016-19. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-19**

**RESOLUTION APPROVING TERM FINANCING FOR A MULTI-FAMILY HOUSING PROJECT TO MULDOON GARDEN LIMITED PARTNERSHIP.**

Mr. Havelock stated that the Corporation is requesting adopting this Resolution 16-20 to satisfy the "official intent" requirements of Section 1.150-2 of the regulations adopted under the authority of the Internal Revenue Code of 1986, as amended, (the "Code") with respect to Muldoon Garden Limited Partnership. For this purpose, Exhibit A includes a general description of the Project and a statement of the maximum principal amount of bonds the Corporation reasonably expects to issue to finance costs of the Project (the "Bonds"). The Corporation intends to use the proceeds of the Bonds to make a loan (or to reimburse the Corporation for making a loan) to finance costs of the Project, and certain other costs, which are eligible under the Code for financing with proceeds of tax-exempt bonds (the "Eligible Costs"). This Resolution is adopted on the date set forth below, and the Eligible Costs incurred up to 60 days before that date will be eligible for reimbursement with proceeds of the Bonds. As of the date set forth below, the Corporation reasonably expects that it will issue the Bonds and use the proceeds of the Bonds as described. Discussion followed. CAROL GORE made a motion to approve Resolution 2016-20. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-20**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION EXPRESSING OFFICIAL INTENT TO ISSUE BONDS TO FINANCE THE FACILITIES DESCRIBED HEREIN AND DETERMINING RELATED MATTERS.**

VI. B. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$2,753,900 FOR THE LONG TERM FINANCING OF A PROPOSED 49 UNIT ELDERLY AFFORDABLE MULTIFAMILY HOUSING PROJECT TO BE KNOWN AS "TRILLIUM LANDING" AND LOCATED IN JUNEAU, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that Juneau Senior Housing Partners Limited Partnership has requested term loan financing of a proposed elderly affordable multifamily apartment complex consisting of 49 units named "Trillium Landing" and to be located on Clinton Drive in Juneau, Alaska. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2016-21. CAROL GORE seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-21**

**RESOLUTION APPROVING TERM FINANCING FOR A MULTI-FAMILY HOUSING PROJECT TO JUNEAU SENIOR HOUSING PARTNERS LIMITED PARTNERSHIP.**

VI. C. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$1,596,000 FOR THE LONG TERM FINANCING FOR THE ACQUISITION OF A 30 UNIT MULTIFAMILY HOUSING PROJECT KNOWN AS "HILLCREST APARTMENTS" AND LOCATED IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that Schweizer Real Estate Investments LLC and Mr. & Mrs. Ronald E. Fiscus have requested term loan financing for the acquisition of a 30-unit multi-family apartment complex located at 3424 Thompson Avenue in Anchorage, Alaska. Discussion followed. CAROL GORE made a motion to approve Resolution 2016-22. HAVEN HARRIS seconded the motion. The resolution was approved. (5-0)

**RESOLUTION #2016-22**

**RESOLUTION APPROVING FUNDS FOR THE TERM FINANCING OF A MULTI-FAMILY HOUSING PROJECT FOR SCHWEIZER REAL ESTATE INVESTMENTS, LLC.**

VI. D. CONSIDERATION OF A REQUEST FOR AUTHORIZATION TO HOLD PUBLIC HEARINGS FOR PROPOSED AMENDMENTS TO 15 AAC 151.535 FEE SCHEDULE AND COMMITMENT PERIODS. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that staff recommends regulation amendments to amend 15 AAC 151.535(b)(2)(B) to provide a range of loan fees that correspond to the term of the loan commitment. The proposed for-profit entity fee structure for a 24 month commitment is 2% on the first million dollars borrowed; 1.5% on the next four million dollars borrowed; 1% on the next ten million dollars borrowed; and .5% on the next 15 million dollars borrowed.

The fee structure for a 12 month commitment will be half of these amounts, which matches the current fee structure. Loan proposals for not for-profit entities will be one-half of the for-profit fee structure and are addressed in proposed amendments to 15 AAC 151.535(b)(2)(A). The fee for commitment extensions will remain unchanged. Staff requests authorization to hold a public hearing to obtain any testimony regarding the proposed amendments. The results of the public hearing and staff's recommendation will be brought back to the board for consideration prior to enactment of these recommendations. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2016-23. CAROL GORE seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-23**

**RESOLUTION AUTHORIZING PUBLIC HEARINGS FOR  
PROPOSED AMENDMENTS TO 15 AAC 151.535(B)(2)(A) AND  
15 AAC 151.535(B)(2)(B) FEE SCHEDULE AND COMMITMENT  
PERIODS.**

VI. E. CONSIDERATION OF A RESOLUTION TO APPROVE THE ADOPTION OF THE AMENDED SFY2016-2020 CONSOLIDATED PLAN (CON PLAN) TO INCLUDE THE NATIONAL HOUSING TRUST FUND. BRYAN BUTCHER introduced the item and DANIEL DELFINO and OSCAR CEDANO presented. Mr. Delfino stated that in order to receive approximately \$5.2 million annually from certain programs within the U.S. Department of Housing and Urban Development (HUD), the State of Alaska must engage in a statewide housing and community development planning process. The HCD Plan was developed and approved in 2015 prior to the announcement of the National Housing Trust Fund (NHTF). The Plan now needs a substantial amendment to include the necessary elements for the State to receive, from the upcoming NHTF, an additional \$3 million. Mr. Cedano stated that the process to amend this Plan began in early 2016 with a notice from HUD requiring the State to create an allocation Plan that describes the way in which the State will distribute the \$3 million funds from the Housing Trust Fund. The State received input from the general public in accordance with a Citizen Participation process, which includes one public hearings (June 10, 2016) and a 30-day public comment period which ended July 11, 2016. Staff requests Board approval of the Amended Consolidated Housing and Community Development Plan for the State of Alaska, covering State Fiscal Years 2016-2020 attached to this memo. After Board approval, staff will submit the documents to the U.S. Department of Housing and Urban Development for final review and approval. Discussion followed. CAROL GORE made a motion to approve Resolution 2016-24. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-24**

**RESOLUTION ADOPTING THE AMENDED FIVE-YEAR CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN FOR THE STATE OF ALASKA, FOR SFY2016-2020, (FFY2015-2019) AND DIRECTING STAFF TO FILE THE PLAN WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**

**VI. F. CONSIDERATION OF A RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE OF UP TO \$125 MILLION GENERAL MORTGAGE REVENUE BONDS II, 2016 SERIES A.** BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that staff is proposing the issuance of up to \$125 million General Mortgage Revenue Bonds II, 2016 Series A, to provide new financing for qualified borrowers under our Tax-Exempt First-Time Homebuyer Mortgage Loan Program. These would be issued as tax-exempt, fixed-rate bonds and structured similar to the Collateralized Bonds (Veterans Mortgage Program), 2016 Second Series, transaction approved at the board meeting in June and priced in mid-July. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2016-25. ALAN WILSON seconded the motion. The resolution was unanimously approved. (5-0)

**RESOLUTION #2016-25**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$125,000,000 GENERAL MORTGAGE REVENUE BONDS II, 2016 SERIES A; AUTHORIZING THE EXECUTION AND DELIVERY OF A 2016 SERIES A SUPPLEMENTAL INDENTURE TO SECURE THE 2016 SERIES A BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF THE 2016 SERIES A BONDS; A CONTINUING DISCLOSURE CERTIFICATE RELATING TO THE SALE OF THE 2016 SERIES A BONDS; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE 2016 SERIES A BONDS AND THE DISTRIBUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO THE 2016 SERIES A BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.**

VII. **REPORT OF THE CHAIR.** CHAIR LEVALLEY stated that the next AHFC Board of Directors meeting will be August 24, 2016 in Anchorage and it is the Annual Meeting.

VIII. **BOARD COMMITTEE REPORTS.** There were no Committee reports to present to the Board.

IX. **REPORT OF THE EXECUTIVE DIRECTOR.** BRYAN BUTCHER reported on: 1.) Welcome Haven Harris as our newest Board member; 2.) NCSHA Executive Directors training in Woodstock, Vermont Sun 7/17 through wed 7/20; 3.) AAHA Annual BOD Meeting in Fairbanks Tue 7/12; 4.) AO 281 update; 5.) Creekview Plaza 49 senior housing grand opening with Cook Inlet Housing Wed 8/10; 6.) Alaska Energy Efficiency Policy Retreat Thurs 9/8 and Fri 9/9/30.

X. **OTHER MATTERS.** CHAIR LEVALLEY asked if there were any other matters to properly come before the board.

1. Monthly Loan Reports. Finance, Mortgage, R2D2 and Public Housing reports were presented for discussion and review.

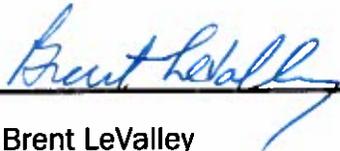
2. Schedule of Board Meetings:

AHFC Annual BOD Meeting                      August 24, 2016                      10:00am Anchorage

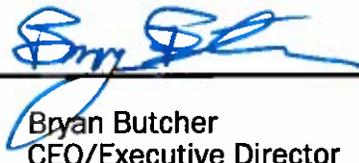
XI. **EXECUTIVE SESSION: CORPORATION'S OPERATIONAL MATTERS THAT MAY HAVE AN IMPACT ON THE CORPORATION.** No Executive Session was required today.

XII. **OTHER MATTERS.** CHAIR LEVALLEY asked if there were any other matters to properly come before the board. HAVEN HARRIS made a motion to adjourn. Seeing and hearing no objections, the meeting was adjourned at 11:04 a.m.

ATTESTED:



Brent LeValley  
Board Chair



Bryan Butcher  
CEO/Executive Director