

**ALASKA HOUSING FINANCE CORPORATION  
BOARD OF DIRECTORS**

**REGULAR MEETING**

November 23, 2015

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met November 23, 2015 in the AHFC board room, 4300 Boniface Parkway in Anchorage, AK at 10:00 a.m. Board members present were:

**BRENT LEVALLEY**  
Anchorage

**ACTING BOARD CHAIR**  
**Member of the Board**

**MARTY SHURAVLOFF**  
Anchorage

**ACTING BOARD VICE CHAIR**  
**Member of the Board**

**ALAN WILSON**  
Via teleconference

**Member of the Board**

**CAROL GORE**  
Anchorage

**Member of the Board**

**JERRY BURNETT**  
Anchorage

**Designee for Commissioner**  
**Department of Revenue**  
**Member of the Board**

**TARA HORTON**  
Via teleconference

**Designee for Commissioner**  
**Department of Health**  
**& Social Services**  
**Member of the Board**

**CHRIS HLADICK**  
Via teleconference

**Commissioner**  
**Department of Commerce,**  
**Community & Economic**  
**Development**  
**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.** ACTING CHAIR LEVALLEY proposed the agenda be approved as presented. Seeing and hearing no objections, the agenda was approved as presented.

III. **MINUTES OF OCTOBER 28, 2015.** ACTING CHAIR LEVALLEY asked for revisions or acceptance of the minutes. CEO BRYAN BUTCHER requested that item C be amended to show the item passing 6-0 instead of 6-1 as Carol Gore abstained from voting due to a conflict of interest and it was not a nay vote as 6-1 would indicate. MARTY SHURAVLOFF made a motion to accept the minutes as amended. JERRY BURNETT seconded the motion. Seeing and hearing no objection, the minutes were approved as amended.

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. ELECTION OF OFFICERS - BOARD CHAIR AND VICE CHAIR.** ACTING CHAIR LEVALLEY opened the floor for nominations for Board Chair and Vice Chair. CAROL GORE nominated BRENT LEVALLEY for board chair, and nominated MARTY SHURAVLOFF for vice chair. BRENT LEVALLEY was unanimously elected as BOARD CHAIR and MARTY SHURAVLOFF was unanimously elected as VICE CHAIR. The nominations were unanimously approved by roll call vote. (7-0)

VI. **B. CONSIDERATION OF A LOAN REQUEST FROM ANCHORAGE NEIGHBORHOOD HOUSING SERVICES INC. DBA NEIGHBORWORKS ALASKA IN THE AMOUNT OF \$1,500,000 UNDER THE LOANS TO SPONSORS PROGRAM.** BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that the Loans to Sponsor Program (LTSP) was designed to provide housing or improve the quality of housing for persons of lower incomes that would not otherwise have these opportunities. ANHS is competently administering a comprehensive program that meets the definition and intent of the LTSP. The request for additional funds allows ANHS to continue a mutually beneficial program, which has been very successful in facilitating home ownership and improving the quality of housing. Discussion followed. MARTY SHURAVLOFF made a motion to approve Resolution 2015-31. CAROL GORE seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-31**

**RESOLUTION APPROVING A \$1,500,000  
LOAN TO PROVIDE FUNDS  
UNDER THE LOANS-TO-SPONSORS  
PROGRAM.**

VI. C. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$1,920,000 FOR THE LONG TERM FINANCING FOR THE ACQUISITION OF A 28 UNIT MULTIFAMILY PROJECT KNOWN AS "TOLFORD APARTMENTS" AND LOCATED IN FAIRBANKS, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that Tolford Investments, LLC has requested term financing for the refinance of a 28 unit multi-family apartment complex located at 980, 990, 1001, 1003, 1007, 1011, and 1015 22<sup>nd</sup> Avenue in Fairbanks, Alaska. The request comes from Northrim Bank on behalf of the borrowers. Staff recommends approval of this loan based upon: The subject's excellent flow at 1.66 debt coverage; loan to value of 80%; and subject to the conditions noted. Discussion followed. CAROL GORE made a motion to approve Resolution 2015-32. MARTY SHURAVLOFF seconded the motion. The resolution was approved. (7-0)

**RESOLUTION #2015-32**

**RESOLUTION APPROVING TERM FINANCING  
FOR THE REFINANCING OF A MULTI-FAMILY  
HOUSING PROJECT TO TOLFORD  
INVESTMENTS, LLC**

VI. D. CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$4,000,000 PRIVATELY PLACED TAX-EXEMPT CONDUIT BONDS TO FINANCE THE SUSITNA VIEW APARTMENTS LOW INCOME HOUSING PROJECT IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and MIKE STRAND presented. Mr. Strand stated that an inducement resolution for the 20-unit multi-family low-income and special needs housing project located at 325 E. 3<sup>rd</sup> Avenue in Anchorage, Alaska, was approved at the last board meeting in October. The funding for the project includes 4% low-income housing tax credits, which require that 50% of the project development costs be funded with tax-exempt bond proceeds. The proposed bond issuance satisfies that IRS requirement and provides the necessary funding source to continue this project. Structuring an affordable housing financing package that has positive cash flows with traditional debt is very difficult in the current market. Developers have worked closely with lenders and counsel to satisfy the tax-exempt requirement by selling a short-term bond directly to the construction lender. The bond is retired when the construction loan is repaid through tax-credit proceeds, mortgages or other grants. The proposed bonds will be sold directly to the construction lender and serviced by the borrower, so AHFC will act only as an administrator and no corporate funds will be used. The borrower will use project revenues to pay off the bonds, similar to the Eklutna Estates II affordable senior housing project transaction in 2014. Since the borrower has chosen Wells Fargo as their construction lender, staff is recommending this transaction be done as a private placement to Wells Fargo instead of a public sale. Discussion followed.

CAROL GORE made a motion to approve Resolution 2015-33. MARTY SHURAVLOFF seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-33**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE CORPORATION TO ENTER INTO A LOAN AGREEMENT TO INCUR REVENUE-BACKED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT GREATER THAN \$4,000,000 AND TO USE THE PROCEEDS OF THE REVENUE-BACKED INDEBTEDNESS TO MAKE A LOAN TO 325 E. 3RD LIMITED PARTNERSHIP TO PAY THE COSTS OF A PROJECT OF SAID PARTNERSHIP; AND AUTHORIZING AND APPROVING RELATED MATTERS.**

**VI. E. A REPORT FROM THE RESIDENT ADVISORY BOARD TO THE AHFC BOARD OF DIRECTORS.** BRYAN BUTCHER introduced the item and CATHY STONE presented. Ms. Stone gave an overview of the Resident Advisory Board of Directors meeting that was held recently. Discussion followed. No action was requested nor required of the Board.

**VII. REPORT OF THE CHAIR.** CHAIR LEVALLEY stated that he had retired from Denali State Bank in Fairbanks and he thanked the Board for the support of being elected Chairman of the AHFC Board of Directors.

**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.) AAHA Quarterly Meeting Thursday 10/29; 2.) State homebuilders annual conference in Fairbanks Wed 11/4 – Fri 11/6; 3.) Washington DC trip Sunday 11/15 – Thurs 11/19; 4.) Rasmuson Foundation 60<sup>th</sup> Anniversary dinner Thursday 11/19; 5.) Public building energy retrofits at DOL Friday 11/20; 6.) Board action needed on approving our audited financials, GASB 68 needs to be a telephonic meeting in December; 7.) Rural Homeownership Forum at the Captain Cook Monday 11/30; 8.) Bethel Teachers Housing ribbon cutting ceremony Monday 11/30; 9.) Council of Educational Facility Planners, King Career Center Friday 12/4; 10.) Monthly AEA/AHFC EE Coordination meeting Wednesday 12/9; 11.) Governor's Housing

Summit Wednesday January 6, 2016; 12.) Ridgeline Terrace ribbon cutting ceremony with our partners Friday 1/8.

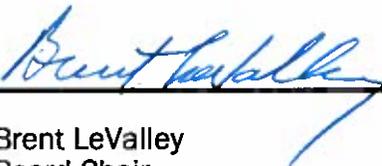
X. OTHER MATTERS. CHAIR LEVALLEY asked if there were any other matters to properly come before the board.

1. Monthly Loan Reports. Finance, Mortgage, R2D2 Public Housing and GR&PA reports were presented for discussion and review.
2. Schedule of Board Meetings:

AHCC Annual BOD Meeting	January 27, 2016	9:00 am Anchorage
AHFC Regular BOD Meeting	January 27, 2016	10:00am Anchorage

X. OTHER MATTERS. CHAIR LEVALLEY asked if there were any other matters to properly come before the board. MARTY SHURAVLOFF made a motion to adjourn. Seeing and hearing no objections, the meeting was adjourned at 10:42 a.m.

ATTESTED:

  
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Brent LeValley  
Board Chair

  
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Bryan Butcher  
CEO/Executive Director