

ALASKA HOUSING FINANCE CORPORATION  
BOARD OF DIRECTORS

REGULAR MEETING

July 26, 2017

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met July 26, 2017 in the AHFC board room, 4300 Boniface Parkway in Anchorage, AK at 10:00 a.m. Board members present were:

**BRENT LEVALLEY**  
Anchorage

**CHAIRMAN**  
Member of the Board

**ALAN WILSON**  
Anchorage

**VICE CHAIRMAN**  
Member of the Board

**CAROL GORE**  
Anchorage

**Member of the Board**

**HAVEN HARRIS**  
Anchorage

**Member of the Board**

**JERRY BURNETT**  
Anchorage

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

**RANDALL BURNS**  
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

- 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 28, 2017.** 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: J 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 RESOLUTION TO APPROVE AMENDMENT ONE TO THE FY2018 MOVING TO WORK ANNUAL PLAN.** BRYAN BUTCHER introduced the item and CATHY STONE presented. Ms. Stone stated that the AHFC Board of Directors approved AHFC's FY2018 Moving to Work Annual Plan at its April 26, 2017 meeting. The Plan was subsequently submitted to HUD for review. AHFC received notification on July 11, 2017 that the Plan was approved. Whenever AHFC seeks a waiver from either the 1937 Housing Act or implementing regulations, it must do so through the planning process and must be in compliance with at least one of three statutory goals: 1) reduce cost and achieve greater cost effectiveness in federal expenditures; 2) give incentives to families with children whose head of household is either working, seeking work, or participating in programs that assist them to become economically self-sufficient; or 3) increase housing choices for low income families. In 2016, the Juneau Housing First Collaborative went through a competitive solicitation process and was selected as a recipient under a Special Needs Housing Grant for its new Housing First development in Juneau. The Public Housing Division proposes to model rental assistance for Alder Manor after Karluk Manor, our successful Housing First sponsor-based rental assistance recipient in Anchorage. Alder Manor proposes serving Alaska Mental Health Trust beneficiaries who are frequent users of emergency services in Juneau. Because of substance abuse issues, these individuals may not always meet HUD's and AHFC's screening criteria for traditional rental assistance programs. Alder Manor will use the Juneau coordinated entry system to select potential residents, thus ensuring that those most in need will be served first. Discussion followed. CAROL GORE made a motion to approve Resolution 2017-20. ALAN WILSON seconded the motion. The resolution was unanimously approved. (7-0)

#### **RESOLUTION #2017-20**

**RESOLUTION OF THE BOARD OF DIRECTORS ALASKA HOUSING  
FINANCE CORPORATION APPROVAL OF AMENDMENT ONE TO  
THE STATE FISCAL YEAR 2018 MOVING TO WORK AND  
CAPITAL FUND PLAN.**

VI. B. CONSIDERATION OF A RESOLUTION ADOPTING AMENDMENTS TO 15 AAC 150.035, *ADOPTION OF RESIDENTIAL BUILDING CODE AND AMENDMENTS*, TO INCORPORATE A NEW VERSION OF THE ALASKA-SPECIFIC AMENDMENTS THAT WILL MODIFY SECTION R905.2.8.5 *DRIP EDGE* TO THE 2012 INTERNATIONAL RESIDENTIAL CODE. BRYAN BUTCHER introduced the item and JOHN ANDERSON and SCOTT WATERMAN presented. Mr. Anderson stated that AS 18.56.300 states that the Alaska Housing Finance Corporation (AHFC) can only make or purchase a residential housing loan if that dwelling was built equal or better than the adopted "state building code" and energy code as adopted by AHFC on any dwelling built after June 20, 1992. The state building code was specified as the standards written in the Uniform Building Code as adopted by the Department of Public Safety. In 2000 the International Code Council (ICC) split the Uniform Building Code into the International Building Code (IBC) and the International Residential Code (IRC). The AHFC Building Energy Efficiency Standard (BEES) and Minimum Construction Standards with Alaska Specific Amendments are based on the 2012 IRC. The IRC was written in such a manner that it would be relevant to users worldwide. The code allows for Authorities Having Jurisdiction (AHJ) to amend sections of the code or use alternative materials or methods, which are equal or better than the stated section specifically for their location. In the spring of 2017, the building community approached AHFC and requested a review to amend Section R905.2.8.5 Drip Edge to allow for the use of alternative materials and methods of installation. On May 31, 2017, the AHFC Board approved Resolution 17-12 which authorized staff to conduct a public comment and hearing on that request. A public hearing was held on June 22, 2017. Two members of the public provided testimony and were in favor of the proposed Best Practices to Section R905.2.8.5 Drip Edge. The transcript from the hearing is attached. Public comments were solicited June 1, 2017 through June 22, 2017. Four members of the public submitted comments and were all in favor of the proposed Best Practices to Section R905.2.8.5 Drip Edge. One comment submitted was requested to be read during the public hearing. The comment was read and is part of the public hearing transcript. The written comments were submitted electronically and through regular mail. Through the public comment process, clarifying language was recommended, which the staff accepted and included in the final document. Discussion followed. ALAN WILSON made a motion to approve Resolution 2017-21. HAVEN HARRIS seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2017-21**

**RESOLUTION ADOPTING AMENDMENTS TO 15 AAC 150.035,  
ADOPTION OF RESIDENTIAL BUILDING CODE AND  
AMENDMENTS.**

**VI. C. CONSIDERATION OF A RESOLUTION TO ADOPT THE REVISED AHFC PERSONNEL RULES APPROVED BY THE PERSONNEL COMMITTEE ON JULY 13, 2017.** BRYAN BUTCHER introduced the item and ELAINE HODL presented. Ms. Hodl stated that AHFC is an independent agency of the State of Alaska. Per AS 18.56.070, AHFC is exempt from the State of Alaska Personnel Act and the AHFC Board of Directors prescribe the duties and compensation of corporation personnel. The Board of Directors adopts AHFC's Personnel Rules and Regulations which establishes a pay process and pay schedules that are substantially similar to the State of Alaska. AHFC maintains its own HR/Payroll system and administers its own benefit package. AHFC employees do not contribute to the Supplemental Benefit System (SBS) program, but do participate in PERS. A majority of AHFC employees are non-union. Only AHFC maintenance employees in the public housing division are covered under a collective bargaining agreement. AHFC employees work an eight hour day. The most recent version of AHFC's Personnel Rules were fully adopted January 8, 1997 (Resolution #97-09). Since then, the rules have been revised due to changes in law such as Family Medical Leave Act and Alaska Family Leave Act. The last revision was November 8, 2006. After a recent review, several changes were proposed to leave accrual, grievance hearing processes, and updates to language and terminology. The AHFC Personnel Committee met on July 13, 2017 at 10:00 a.m. to review proposed revisions to the AHFC Personnel Rules. The Personnel Committee approved a motion to recommend forwarding the AHFC Personnel Rules in their final form to the AHFC Board of Directors for approval. A copy of the memo to the AHFC Personnel Committee and the outline of revisions to the AHFC Rules are in the board packet and a copy of the final AHFC Personnel Rules are included. Discussion followed. HAVEN HARRIS made a motion to approve Resolution 2017-22. RANDALL BURNS seconded the motion. The resolution was approved. (7-0)

**RESOLUTION #2017-22**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE ALASKA HOUSING FINANCE CORPORATION APPROVING ADOPTION OF REVISIONS TO THE PERSONNEL RULES OF THE CORPORATION.**

**VII. REPORT OF THE CHAIR.** CHAIR LEVALLEY stated that the next AHFC Board of Directors meeting will be the Annual meeting on August 23, 2017 in Fairbanks.

**VIII. BOARD COMMITTEE REPORTS.** BRYAN BUTCHER gave an overview of the Personnel Committee that was held August 13, 2017. ALAN WILSON gave an overview of the Audit Committee that was held earlier today.

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IX. **REPORT OF THE EXECUTIVE DIRECTOR.** BRYAN BUTCHER reported on: 1.) NCSHA Executive Director Training in Ojai, CA (Sun 7/16 – Wed 7/19; 2.) Legislative updates; 3.) AAHA Annual Board of Directors meeting in Cooper Center (Wed 8/2 – Wed 8/3); 4.) AHFC Retirement: Beverly Lopez after 22 years on 7/31/17; 5.) Dan Fauske Celebration of Life (Wed. 8/9).

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 GRPA reports were presented for discussion and review.

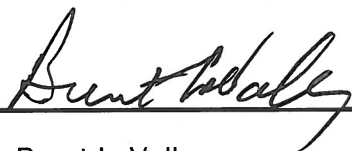
2. **Schedule of Board Meetings:**

AHFC Annual BOD Meeting                      August 23, 2017                      9:00 am                      Fairbanks

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. ALAN WILSON made a motion to adjourn. Seeing and hearing no objections, the meeting was adjourned at 11:01 a.m.

ATTESTED:



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Brent LeValley  
Board Chair



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Bryan Butcher  
CEO/Executive Director