

ALASKA HOUSING FINANCE CORPORATION  
BOARD OF DIRECTORS

REGULAR MEETING

April 29, 2015

10:00 a.m.

Anchorage/Juneau/Fairbanks

The Board of Directors of Alaska Housing Finance Corporation met January 21, 2015 at the Crowne Plaza in Anchorage Midtown at 109 West International Airport Road Anchorage, Alaska 99518 at 10:00 a.m. Board members present were:

**FRANK ROPPEL**  
Anchorage

**CHAIR**  
Member of the Board

**CLAI PORTER**  
Anchorage

**VICE CHAIR**  
Member of the Board

**BRENT LEVALLEY**  
Anchorage

Member of the Board

**MARTY SHURAVLOFF**  
Anchorage

Member of the Board

**JERRY BURNETT**  
Anchorage

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

**TARA HORTON**  
Anchorage

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

**JON BITTNER**  
Via teleconference

**Designee for 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.** CHAIR ROPPEL proposed the agenda as presented. Seeing and hearing no objections, the agenda was approved.

III. MINUTES OF MARCH 11, 2015. CHAIR ROPPEL asked for revisions or acceptance of the minutes. CLAI PORTER made a motion to accept the minutes as presented. BRENT LEVALLEY seconded the motion. Seeing and hearing no objection, the minutes were approved as presented.

IV. PUBLIC COMMENTS. In Anchorage: Tyler Robinson with Cook Inlet Housing Authority thanked AHFC for their partnership in their projects. 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 \$2,000,000 FOR THE REFINANCE OF AN EXISTING 46 UNIT APARTMENT COMPLEX KNOWN AS "WEST MIDTOWN GARDENS" AND LOCATED IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that West Midtown Gardens, LLC and Kuskokwim Properties, LLC through First National Bank Alaska have applied to Alaska Housing Finance Corporation to receive funds under the Multi-Family Participation Loan Purchase Program for term financing for the refinance of a multi-family apartment complex located in Anchorage. Term financing for the refinance of a forty-six unit multi-family apartment complex located at 1327 West 27<sup>th</sup> Avenue, Anchorage, Alaska. Discussion followed. CLAI PORTER made a motion to approve Resolution 2015-07. BRENT LEVALLEY seconded the motion. The resolution was unanimously approved. (7-0)

#### RESOLUTION #2015-07

RESOLUTION APPROVING TERM FINANCING FOR A  
MULTI-FAMILY HOUSING PROJECT TO WEST MIDTOWN  
GARDENS, LLC AND KUSKOKWIM PROPERTIES, LLC.

VI. B. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$2,000,000 FOR THE REFINANCE OF AN EXISTING 47 UNIT APARTMENT COMPLEX KNOWN AS "WEST MIDTOWN VILLAGE" AND LOCATED IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that West Midtown Village, LLC and Kuskokwim Properties, LLC through First National Bank Alaska have applied to Alaska Housing Finance Corporation to receive funds under the Multi-Family Participation Loan Purchase Program for term financing for the refinance of a multi-family apartment complex located in Anchorage. Term financing for the refinance of a forty-seven unit multi-family apartment complex located at 1414 West 26<sup>th</sup> Avenue, Anchorage, Alaska. Discussion followed. CLAI PORTER made a motion to approve Resolution 2015-08. MARTY SHURAVLOFF seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-08**

**RESOLUTION APPROVING TERM FINANCING FOR A  
MULTI-FAMILY HOUSING PROJECT TO WEST MIDTOWN  
VILLAGE, LLC AND KUSKOKWIM PROPERTIES, LLC.**

VI. C. CONSIDERATION OF A TERM LOAN REQUEST IN THE AMOUNT OF \$2,383,000 FOR THE LONG TERM FINANCING OF A NEWLY DEVELOPED AFFORDABLE MULTIFAMILY HOUSING COMPLEX TO BE KNOWN AS "GRASS CREEK NORTH APARTMENTS" AND LOCATED IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that Grass Creek North I Limited Partnership, through their managing general partner Cook Inlet Housing Development Corporation or a wholly owned subsidiary of Cook Inlet Housing Development Corporation, has applied to Alaska Housing Finance Corporation for term funding under the Multifamily, Special Needs and Congregate Housing Program for the development of a 52 unit affordable multifamily complex to be located in Anchorage, Alaska. Discussion followed. CLAI PORTER made a motion to approve Resolution 2015-09. MARTY SHURAVLOFF seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-09**

**RESOLUTION APPROVING TERM FINANCING FOR A MULTI-  
FAMILY HOUSING PROJECT TO GRASS CREEK NORTH I  
LIMITED PARTNERSHIP.**

VI. D. CONSIDERATION OF A \$625,000 LOAN REQUEST FOR COOK INLET LENDING CENTER UNDER THE LOANS TO SPONSORS PROGRAM. BRYAN BUTCHER introduced the item and ERIC HAVELOCK presented. Mr. Havelock stated that In September, 2004, and at various time thereafter, Cook Inlet Lending Center, Inc. was approved for funding under the Loans-to-Sponsors Program, to provide funds for its loan "Down Payment Assistance Program" which assists in the financing of second mortgages and/or down payment and closing costs for persons of low to moderate income. The Program continues to be in demand and Cook Inlet Lending Center, Inc. has applied for \$625,000 to fund its loan "Down Payment Assistance Program" under the new guidelines. Discussion followed. BRENT LEVALLEY made a motion to approve Resolution 2015-10. CLAI PORTER seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-10**

**RESOLUTION APPROVING A \$625,000 LOAN TO PROVIDE FUNDS UNDER THE LOANS-TO-SPONSORS PROGRAM.**

VI. E. CONSIDERATION OF A RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE OF UP TO \$150 MILLION STATE CAPITAL PROJECT BONDS II, 2015 SERIES B. BRYAN BUTCHER introduced the item and GERARD DETA presented. Mr. Deta stated that staff is proposing the issuance of State Capital Project Bonds II, 2015 Series B (the "Bonds"), to advance refund certain outstanding debt obligations and to reimburse the Corporation for certain governmental purpose expenditures. The Bonds would be issued as tax-exempt, non-AMT, fixed-rate bonds and enable AHFC to save over \$11 million (NPV) in debt service payments based on projected pricing cash flows using current market rates. This transaction would be structured very similarly to the State Capital Project Bonds II, 2015 Series A, which AHFC issued in March 2015. Discussion followed. CLAI PORTER made a motion to approve Resolution 2015-11. BRENT LEVALLEY seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-11**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$150,000,000 STATE CAPITAL PROJECT BONDS II, IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES SUPPLEMENTAL INDENTURE TO SECURE EACH SUCH SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF EACH SUCH SERIES; A CONTINUING DISCLOSURE CERTIFICATE RELATING TO THE SALE OF EACH SUCH SERIES; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE BONDS AND THE DISTRIBUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO THE BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.**

VI. F. CONSIDERATION OF A RESOLUTION FOR THE ISSUANCE OF NOT TO EXCEED \$8,500,000 PRIVATELY PLACED CONDUIT BONDS TO FINANCE THE CREEKVIEW PLAZA 49 SENIOR HOUSING PROJECT IN ANCHORAGE, ALASKA. BRYAN BUTCHER introduced the item and GERARD DETA presented. Mr. Deta stated that a loan was approved for the Creekview Plaza 49 affordable senior housing project at the AHFC Board of Directors meeting in January 2015. Funding for this loan includes 4% tax credits, which require that 50% of the

project 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. Discussion followed. BRENT LEVALLEY made a motion to approve Resolution 2015-12. CLAI PORTER seconded the motion. The resolution was unanimously approved.

(7-0)

**RESOLUTION #2015-12**

**RESOLUTION OF THE ALASKA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$8,500,000 REVENUE BOND, 2015 (CREEKVIEW PLAZA 49 SENIOR HOUSING PROJECT); AUTHORIZING AN AGREEMENT TO ISSUE BONDS AND ASSIGNMENT TO SECURE SAID BOND; AUTHORIZING A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF SAID BOND; AND AUTHORIZING AND APPROVING RELATED MATTERS.**

VI. G. CONSIDERATION OF A RESOLUTION TO APPROVE THE STATE FISCAL YEAR 2016 MOVING TO WORK AND CAPITAL FUND PLAN. BRYAN BUTCHER introduced the item and CATHY STONE presented. Ms. Stone stated that The Moving to Work Agreement (MTW) between AHFC and the U.S. Department of Housing and Urban Development (HUD) began in 2008 and continues until the close of the AHFC 2018 fiscal year. MTW applies to the following programs: Public Housing, the Public Housing Capital Fund Program, Housing Choice Vouchers, and voucher administrative fees. The Section 8 New Multifamily housing program is not covered by MTW. Section VII of the MTW Agreement outlines AHFC's responsibilities with regard to planning and reporting. AHFC must prepare and submit to HUD an annual MTW Plan providing citizen participation through a 30-day review process, a public hearing, and approval from the AHFC Board of Directors. Subject to Board approval, the plan is then reviewed by HUD for consistency with the MTW Agreement. Within 75 days from the submittal date, HUD shall notify AHFC in writing whether it approves or objects to any of the plan provisions. AHFC is proposing one initiative this year that requires a waiver from the Act or HUD regulations, 2016-1 Housing First Sponsor-Based Assistance RFP. This proposed activity would provide for an expansion of AHFC Sponsor-Based Rental Assistance based on the success of the Karluk Manor Housing First project. A Housing First development moves a homeless individual or household immediately from the streets or homeless shelter into his/her own apartment and often targets those individuals in "hard-to-serve" populations. Staff is anticipating that this activity will assist with housing families that are unable to be served through traditional housing assistance programs due to chronic homelessness, lack of financial resources, and lack of references necessary to secure private sector rental housing. Staff feels that Housing First developments are an important

contributor to the reduction of homeless families in the State of Alaska. Staff recommends Board approval of the attached resolution that approves its FY2016 Moving to Work Plan. AHFC has the authority granted in Attachment D to its MTW Agreement to fund rental assistance outside of Section 8 and 9 regulations under the 1937 Housing Act. Under this activity, staff plans to issue a Request for Proposal to solicit for new or existing developments based on a Housing First model. Discussion followed. MARTY SHURAVLOFF made a motion to approve Resolution 2015-13. BRENT LEVALLEY seconded the motion. The resolution was unanimously approved. (7-0)

### **RESOLUTION #2015-13**

#### **RESOLUTION OF THE BOARD OF DIRECTORS ALASKA HOUSING FINANCE CORPORATION APPROVAL OF THE STATE FISCAL YEAR 2016 MOVING TO WORK AND CAPITAL FUND PLAN.**

VI. H. CONSIDERATION OF A RESOLUTION TO APPROVE THE ADOPTION OF THE SFY2016-2020 CONSOLIDATED PLAN (CON PLAN). BRYAN BUTCHER introduced the item and OSCAR CEDANO and DANIEL DELFINO presented. Mr. Cedano stated that the State of Alaska, to retain eligibility to receive funds from the U.S. Department of Housing and Urban Development (HUD) for programs to assist low-income, homeless persons and those with special needs, must develop a Consolidated Housing and Community Development Plan and the State must submit to HUD, every five years, said Consolidated Housing and Community Development Plan. The scope of the Plan is the entire jurisdiction of the State of Alaska, not including the Municipality of Anchorage, which is covered by a separate plan prepared by the Municipality and the Consolidated Housing and Community Development Plan concerns programs administered by the Department of Commerce, Community and Economic Development and the Alaska Housing Finance Corporation. Alaska Housing Finance Corporation was designated by the Governor to act as the lead agency in facilitating the development of the Plan, in collaboration with the other affected state agencies and in accordance with federal regulation at 24 CFR Part 91 and with the Consolidated Housing and Community Development Plan's Citizen Participation Plan, public hearings were held on February 25, 2015 and April 07, 2015 and the draft Five-Year Plan was published for a comment period of 30 days beginning on March 13, 2015 and a final draft has been prepared that incorporates and responds to comments received during the aforesaid public comment period. Discussion followed. CLAI PORTER made a motion to approve Resolution 2015-14. MARTY SHURAVLOFF seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-14**

**RESOLUTION ADOPTING THE 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. I. CONSIDERATION OF A RESOLUTION TO APPROVE THE ADOPTION OF THE SFY2016 ANNUAL ACTION PLAN. BRYAN BUTCHER introduced the item and OSCAR CEDANO and DANIEL DELFINO presented. Mr. Cedano stated that the State of Alaska, to retain eligibility to receive funds from the U.S. Department of Housing and Urban Development (HUD) for programs to assist low-income, homeless persons and those with special needs, must develop a Consolidated Housing and Community Development Plan. The State must submit to HUD, every five years, said Consolidated Housing and Community Development Plan and the scope of the Plan is the entire jurisdiction of the State of Alaska, not including the Municipality of Anchorage, which is covered by a separate plan prepared by the Municipality. Discussion followed. BRENT LEVALLEY made a motion to approve Resolution 2015-15. CLAI PORTER seconded the motion. The resolution was unanimously approved. (7-0)

**RESOLUTION #2015-15**

**RESOLUTION ADOPTING THE CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT ANNUAL ACTION PLAN FOR THE STATE OF ALASKA, FOR SFY2016 (FFY2015) AND DIRECTING STAFF TO FILE THE PLAN WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**

VI. J. CONSIDERATION OF A RESOLUTION TO APPROVE THE ADOPTION OF THE CON PLAN'S CITIZEN PARTICIPATION PLAN. BRYAN BUTCHER introduced the item and OSCAR CEDANO and DANIEL DELFINO presented. Mr. Cedano stated that the State of Alaska, to retain eligibility to receive funds from the U.S. Department of Housing and Urban Development (HUD) for programs to assist low-income, homeless persons and those with special needs, has developed a Consolidated Housing and Community Development (HCD) Plan to submit to HUD for approval as required by HUD. The State, as a component of the HCD Plan, has developed a written Citizen Participation Plan (CPP), that provides for and encourages citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the performance report and provides

citizens and units of general local government a reasonable opportunity to comment on the citizen participation plan and on substantial amendments to the citizen participation plan and AHFC has revised and published an updated CPP, in a manner that has made the update widely available, allowing citizens, units of general local government, public agencies, and other interested parties a reasonable opportunity to comment on the updated CPP. AHFC was available to accept comments on citizen participation at the public hearing and statewide teleconferences held on February 25, 2015 and April 7, 2015 and a final draft of the updated Citizen Participation Plan has been prepared that incorporates the required provisions of a *Citizen Participation Plan; States*, in accordance with federal regulation at 24 CFR Part 91.115. Discussion followed. MARTY SHURAVLOFF made a motion to approve Resolution 2015-16. CLAI PORTER seconded the motion. The resolution was unanimously approved. (7-0)

#### RESOLUTION #2015-16

RESOLUTION ADOPTING THE CITIZEN PARTICIPATION PLAN FOR THE CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN FOR THE STATE OF ALASKA, SFY2016-2020.

VII. REPORT OF THE CHAIR. CHAIR ROPPEL stated that the NTSC, ACAH and AHFC BOD meetings will be held in Anchorage at the AHFC building beginning at 8:00am.

VIII. BOARD COMMITTEE REPORTS. KEVIN TUNE gave an over view of the Audit Committee Meeting that was held at 8:30am today.

IX. REPORT OF THE EXECUTIVE DIRECTOR. BRYAN BUTCHER reported on: 1.) Legislative update; 2.) AEDC Live Work Play (LWP) housing updates; 3.) Corrections Recidivism Reduction Conference Wednesday 4/1; 4.) Developing Alaskan Sustainable Housing (DASH) Conference Thursday 4/9; 5.) Foraker Group BOD Meeting Thursday 4/16; 6.) Foraker Group Leadership Summit 4/20 & 4/21; 7.) Rasmuson Foundation Housing Initiative Strategic Planning meeting Thursday 4/23; 8.) Retiring AHFC Employees Glen Turner and Anna Jolliff Thursday 4/30; 9.) National Disaster Relief meeting with DCCED Commissioner Hladick and DMVA Commissioner Hummel Friday 5/1; 10.) Housing Anchorage Community Conservation Monday 5/11; 11.) Alaska Council on Homelessness Meeting Wednesday 5/20; 12.) Meeting for AHFC Board on August 26<sup>th</sup> will be in Ketchikan.

X. OTHER MATTERS. CHAIR ROPPEL 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:

NTSC BOD Meeting	June 10, 2015	8:00 am	Anchorage
ACAH BOD Meeting	June 10, 2015	8:30 am	Anchorage
AHFC Regular BOD Meeting	June 10, 2015	10:00 am	Anchorage

X. OTHER MATTERS. CHAIR ROPPEL asked if there were any other matters to properly come before the board. CLAI PORTER made a motion to adjourn. Seeing and hearing no objections, the meeting was adjourned at 10:59 a.m.

ATTESTED:



Frank Roppel  
Board Chair



Bryan Butcher  
CEO/Executive Director