

# **Alaska Housing Finance Corporation**

Presentation to House Finance,  
Revenue Subcommittee  
Feb. 10, 2017

Bryan Butcher, CEO/Executive Director

# Agenda Topics:

- Mission
- About AHFC
- Alaska's Housing Market
- AHFC's financial performance
- Fiscal Year results
- Budget request



# MISSION

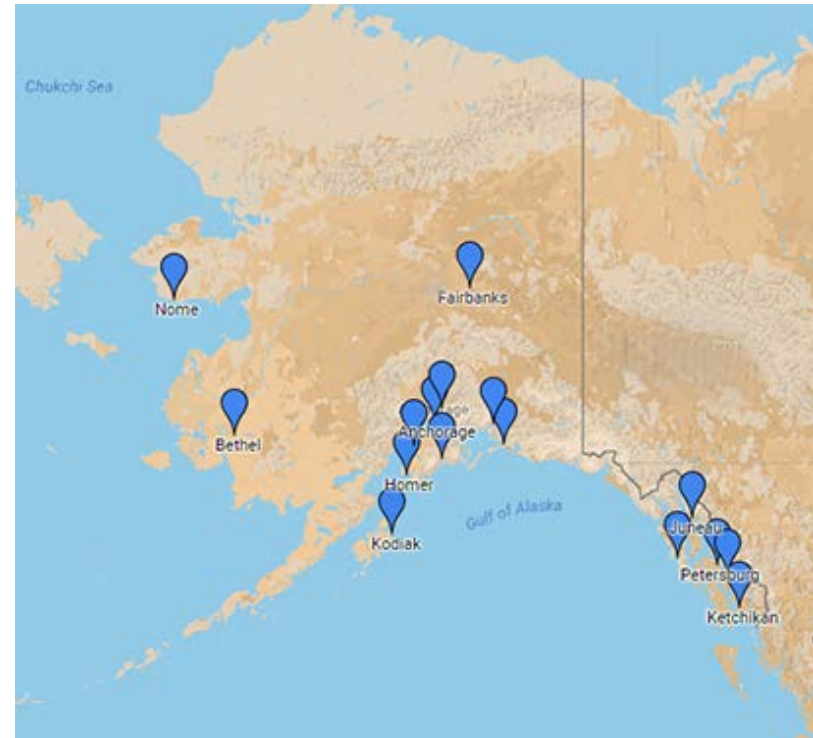
**TO PROVIDE ALASKANS ACCESS TO SAFE,  
QUALITY, AFFORDABLE HOUSING.**



Alaska Housing Finance Corporation (AHFC) is a self-supporting public corporation with offices in 16 communities statewide. AHFC provides statewide financing for multi-family complexes and single-family homes, with loan options for low- to moderate-income borrowers, veterans, teachers, nurses, public safety officers and those living in rural areas of the state. AHFC also provides energy and weatherization programs, low-income rental assistance in 17 communities, and programs for the homeless and those seeking to become self-sufficient.

# AHFC Operations

- Approximately 300 employees with offices in 16 communities.
- Positions are entirely federally funded or supported by AHFC's earnings.
- Supports Public Housing with 1,612 units and 4,967 Housing Choice Vouchers
- AHFC's dividend to the State of Alaska is \$30.4 million this year, and includes \$12 million in state capital debt service.



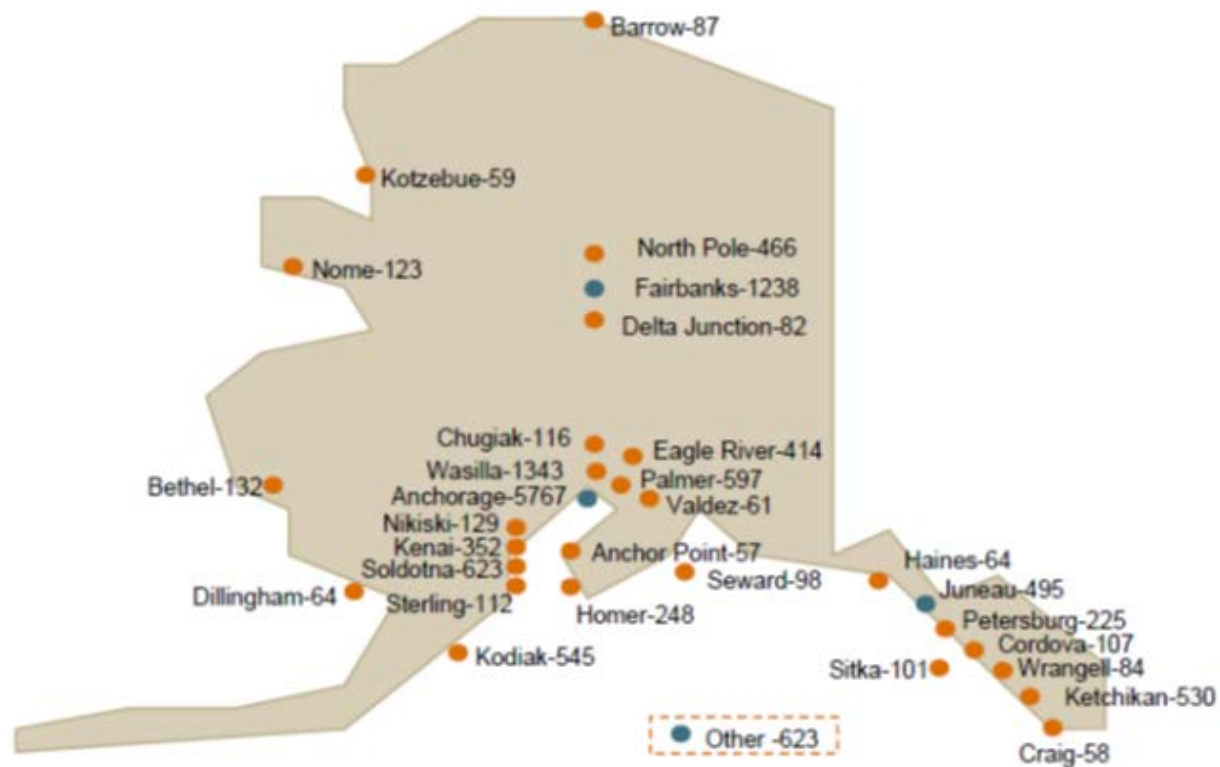
Locations served by AHFC's public housing division.

# Discussion about Alaska's housing:

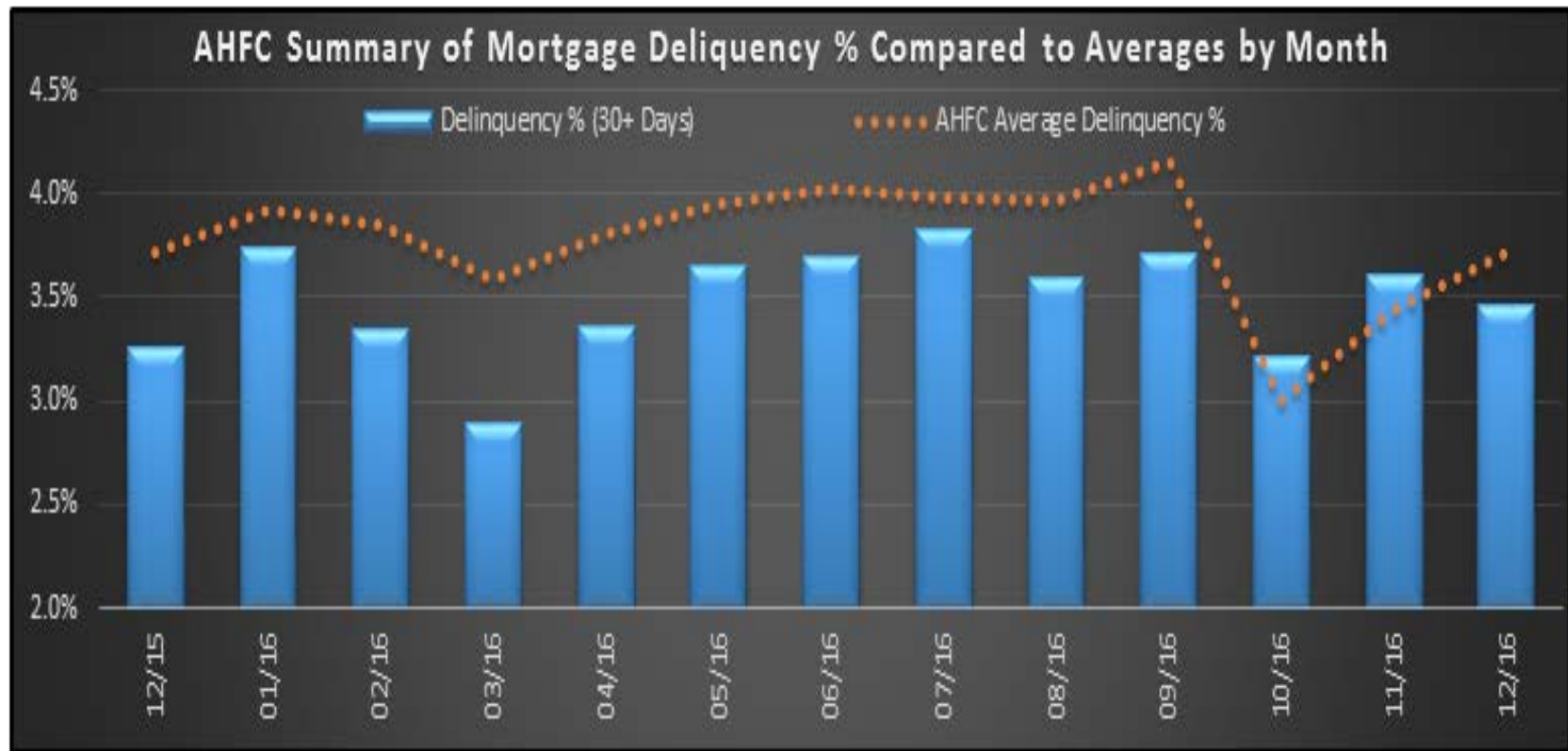


- Demand for public housing remains strong.
- Mortgage activity continues to be strong.
  - Delinquencies on home loans are among the lowest in the country.
- New rural housing development continues to be a challenge
- Rental market is stable in Anchorage, Juneau, Barrow, Kodiak.
- Overcrowding exists and construction is aged in many places.

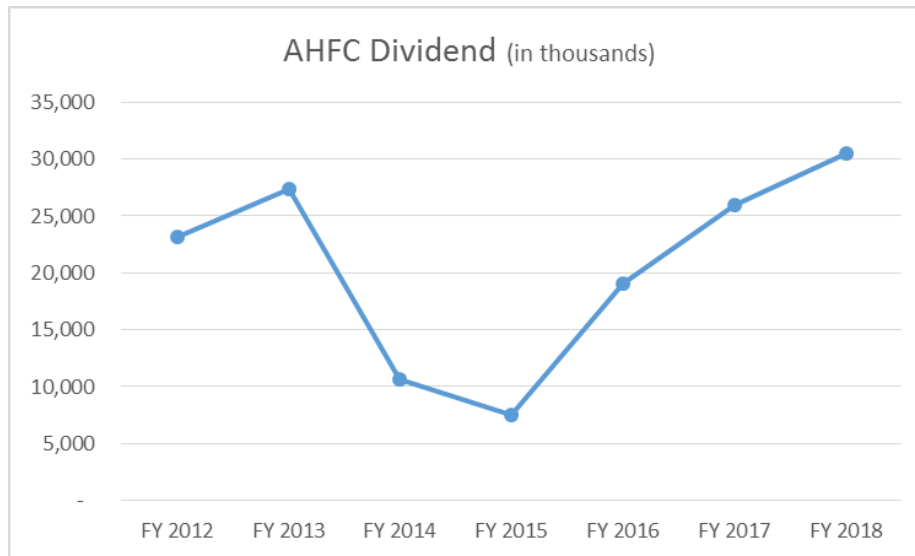
## AHFC's mortgages by location



## Delinquencies on AHFC home loans are among the lowest in the United States:



# Agency's Financial Performance



AHFC's dividend reflects  
75% of change in net assets.

- AHFC bonds are rated AA+
- Cash & investments are pledged to operations so managed for safety and liquidity vs. yield
- 1,752 loans totaling \$495 million for first-time homebuyers, veterans, and others.

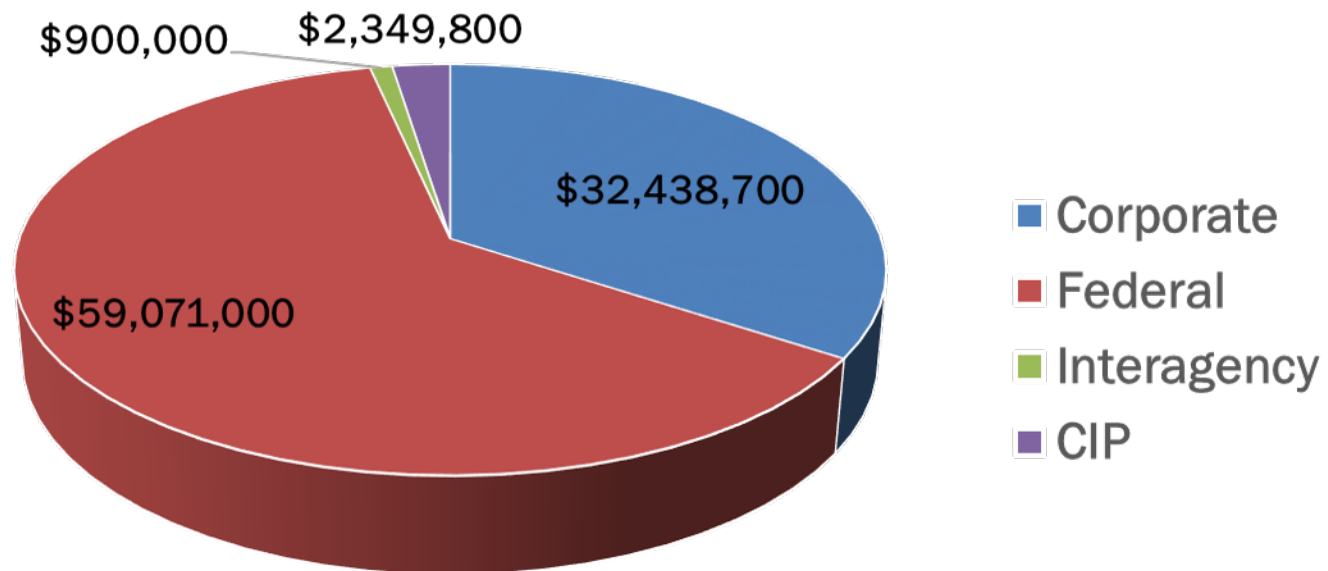


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## Fiscal Year Results at AHFC:

- BCG's thorough analysis of programs.
- A 20% increase in the dividend to the State of Alaska.
- New funding partnerships, Rasmuson Foundation supplementing State of Alaska investment in capital programs, i.e. Senior Housing & Teachers
- Successful partnerships with State agencies: Department of Health's Moving Home; Department of Correction's Moving On; also, Regional Housing Authorities, Cold Climate Housing Research Center, domestic violence shelters, Veterans Administration, and others.
- Advancement in energy efficiency.
- Innovations in Public Housing. In two years, Rent Reform has:
  - 13% increase in working families
  - 7% increase in full time employment
  - Gross incomes increased from an average of \$20,000 to \$27,000.
- 300 more families in public housing programs.

# AHFC FY2018 Operating Budget Funding



# Operations Component

	FY2017 Management Plan	FY2018 Governor	FY2017 Changes	% Change
Salaries	41,097,400	41,097,400	-	0.00%
Travel	736,000	536,000	(200,000)	-27.17%
Contractual	14,778,200	14,977,200	199,000	1.35%
Supplies	1,936,800	1,936,800	-	0.00%
Equipment	312,100	312,100	-	0.00%
Grants	35,800,000	35,900,000	100,000	0.28%
<b>Total Budget:</b>	<b>94,660,500</b>	<b>94,759,500</b>	<b>99,000</b>	<b>0.10%</b>
Corporate	32,439,700	32,438,700	(1,000)	0.00%
Federal	59,071,000	59,071,000	-	0.00%
Interagency	800,000	900,000	100,000	12.50%
CIP	2,349,800	2,349,800	-	0.00%
<b>Total Funding Sources:</b>	<b>94,660,500</b>	<b>94,759,500</b>	<b>99,000</b>	<b>0.10%</b>
Full-Time	313	314	1	0.32%
Part-Time	23	22	(1)	-4.35%
Non Permanent	14	14	-	0.00%
	350	350	-	0.00%



2016

# Annual Report



**NAVIGATING ALASKA'S HOUSING LANDSCAPE.**

The journey through Alaska's housing landscape winds across vast stretches of unfamiliar and challenging terrain. With Alaska Housing Finance Corporation as the navigator, Alaskans have a trusted resource for safely moving into a place of their own, whatever they dream.

**MISSION STATEMENT**

To provide Alaskans access to safe, quality, affordable housing.

WELCOME

MORTGAGE

PUBLIC HOUSING

GRANTS

ENERGY

FINANCE

OTHER HIGHLIGHTS



# Questions?

