

Alaska Housing Finance Corporation FY2020 Budget Overview

Senate Finance Revenue Subcommittee

Feb. 28, 2019

Bryan Butcher, CEO/Executive Director

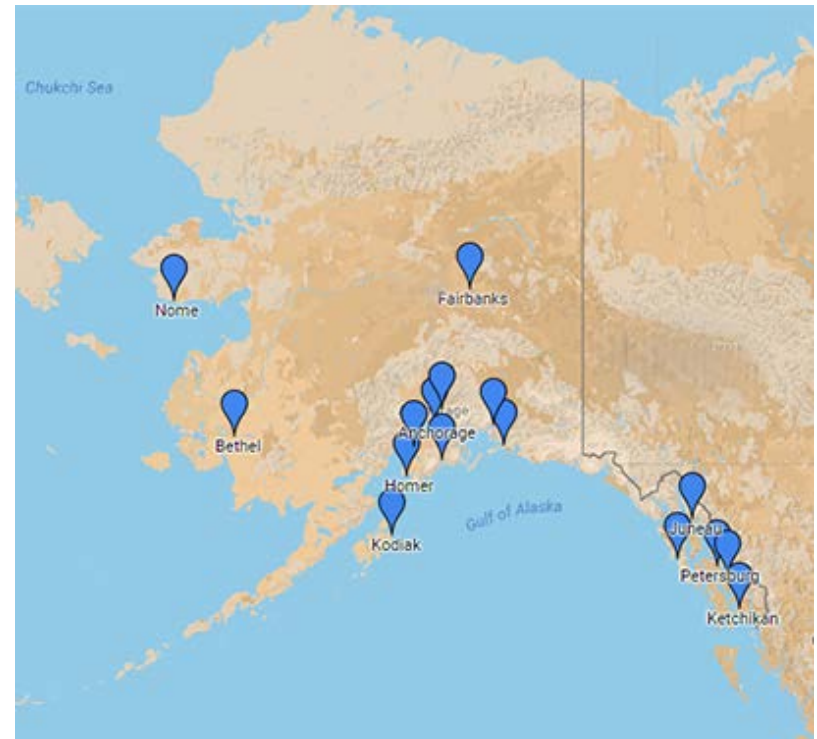
MISSION

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



AHFC Operations

- Federally funded Public Housing offices in 16 communities;
- Supports Public Housing with 1,612 units and 5,071 Housing Choice Vouchers
- AHFC's dividend to the State of Alaska is \$39 million, up from \$7 million in FY13.



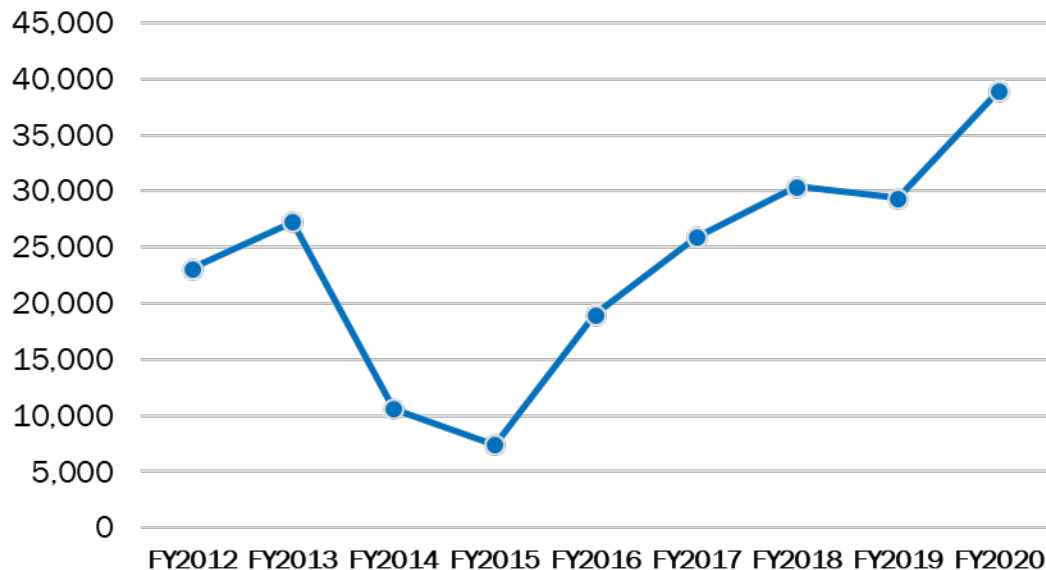
Locations served by AHFC's public housing division.

Discussion about Alaska's housing:

- Mortgage portfolio has increased
 - Lender outreach
 - Interest rates are competitive
 - Delinquencies on home loans are among the lowest in the U.S.
- Housing Stock
 - Aging construction: Renovation loans are increasingly popular; address earthquake damage
 - Overcrowding
- Rental market softening but healthy
 - Anchorage & Juneau
 - Exceptions: Rural + Fairbanks tightening due to F-35s and missile defense
 - New rural housing development continues challenging
- Demand for public housing remains strong.
 - Impact of Rent Reform = 1,000 more vouchers
 - Earned income up; number of working Alaskans increased
- Homelessness

Agency's Financial Performance

AHFC Dividend (in thousands)



- AHFC bonds are rated AA+
- FY18 loan purchases total \$544 million.
- Cumulative dividends for the State of Alaska now exceed \$2 billion.
- AHFC's dividend formula exists in statute: 75% of adjusted change in net income.

Partnerships in focus at AHFC:

- Homeless Shelters & Public Housing for Survivors of Domestic Violence & Sexual Assault
- Local communities for Public Safety, Health Professional & Teacher housing
- Veterans Administration & Public Housing
- Rasmuson Foundation matching State of Alaska capital programs
- State agencies
 - Department of Health with Moving Home and 811 vouchers;
 - Office of Children's Services for Youth Aging Out of Foster Care
- Regional Housing Authorities
- Cold Climate Housing Research Center
- Advancement in energy efficiency

Public Housing Rent Reform Results (FY14-Jan. 2019)

Families Working Full-time

(32 or more hours per week)

40% **58%**



Baseline



Current

Family Income



Sept. 2014

Jan. 2019

Housing Assistance Payment Average

per family enrolled in Step



Baseline

Current