

# **Alaska Housing Finance Corporation**

**Budget Presentation to Senate Finance  
Feb. 14, 2013**

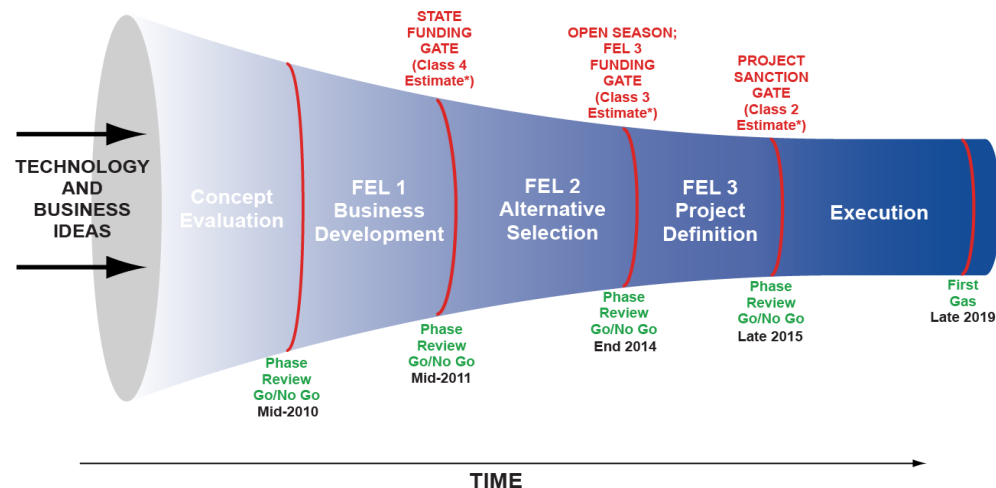
# AGDC – Alaska Gasline Project Year 4 (FEL 2 & 3)

Reference Number: #51753

FY2014 Request: \$25,000,000 Alaska Housing Capital Corp. (AHCC)

**Purpose:** To advance engineering and commercial negotiations through an open season (late 2014) to project sanction (late 2015). This request will accommodate ASAP as either a stand-alone gas pipeline or as a cooperating partner of the AGIA/APP gas line project

*Front-End Development Progressively  
Narrows Uncertainty of Cost and Schedule*



\*Refers to AACE cost estimate classes (Association for the Advancement of Cost Engineering). The lower the class number, the higher the confidence in the accuracy of the estimate.

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# AGDC – Alaska Gasline Project Year 4 (FEL 2 & 3)

## **Projected outcome:**

- Front end engineering and design (“FEED”) for facilities and pipeline to provide the total installed cost (“TIC”) projections for tariff calculations;
  - Complete, detailed tariff calculation based on FEED and TIC for inclusion in the open season solicitation;
  - Environmental, regulatory, and land work to obtain necessary permits and remaining rights of way for the pipeline alignment;
  - Stakeholder engagement and community relations informational campaigns;
  - A completed open season by late 2014 to determine commercial feasibility; and
  - Updated facilities and pipeline design to reflect the shipper’s demand expressed in their open season responses.
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## AHFC Mission:

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

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# AHFC

Bonds & Financing

Loans

Public Housing

Energy



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# Bonds & Financing

As of the end of FY2012, AHFC assets totaled \$4.073 billion.

## Accomplishments:

- AHFC's general obligation credit continued to maintain its strong AA+ rating through FY 2012; recognized among the strongest in the country.
- \$229.1 million of long-term debt was issued in FY2012.
- Dividend of \$9.2 million made to the State of Alaska in FY2012; totals nearly \$2 billion.

## Challenges:

- Federal fiscal policy; low interest rates, low investment returns.
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# Loan Programs

## Accomplishments (FY2012):

- HomeChoice homebuyer education
  - 174 classes to 1,693 Alaskans – 70% lift over previous year
  - Low foreclosure activity, .05 percent or 91 loans
- \$416.2 million in loan activity for more than 1,800 Alaskan families
  - \$115.4 million for first-time homebuyers
  - \$107.1 million for rural loans
  - \$25.9 million for Veteran's

## Challenges

- Low interest rates = 8.5 percent reduction in portfolio to \$2.53 billion



# Public Housing Programs

Public Housing

Housing Choice Vouchers

Senior/

Housing for people with disabilities

Family Self-Sufficiency





# Public Housing

- Mainly funded by U.S. Housing & Urban Development (HUD) for operating, maintaining & constructing low income housing.
  - AHFC owns 1,011 family units, 610 housing units for seniors or those with disabilities; and distributes more than 4,300 vouchers in 13 locations that provide rental assistance - \$2.5 million/month.
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# San Roberto/Mountain View Development (Supplemental Bill)

**Reference Number: #48811**

**FY2014 Request:      \$3,200,000      State General Funds**  
**Mortgage Settlement Funds**  
**\$22,000,000      AHFC Bonds**  
**\$5,092,000      AHFC Dividends (*Reappropriation*)**

**Purpose:** Adds Mountain View development project to San Roberto Redevelopment, drawing efficiencies and addressing affordable housing needs

**Projected outcome:**

- Increase supply of public housing;
  - Increase development efficiencies;
  - Use federal rental assistance that is currently in reserve;
  - Develop a mixture of family and senior housing; and
  - Improve local neighborhoods.
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## Project Funding for San Roberto/Mountain View

			Bonding Authority	Potential Cash	
<b>Original San Roberto Funding:</b>					
FY2010	San Roberto Redevelopment	Supplemental Budget		1,398,100	AHFC Dividend (Re-Appropriation)
FY2011	San Roberto Redevelopment	Capital Budget	7,500,000		AHFC Bonding Authority
FY2011	San Roberto Redevelopment	Capital Budget		2,208,500	AHFC Dividend
<b>New funding for San Roberto/Mountain View</b>					
FY2013	San Roberto/Mountain View Redevelopment	Supplemental Budget	22,000,000		AHFC Bonding Authority
FY2013	San Roberto/Mountain View Redevelopment	Supplemental Budget		3,200,000	Mortgage Settlement Funds (GF)
FY2013	San Roberto/Mountain View Redevelopment	Supplemental Budget		5,092,000	AHFC Dividend (Re-Appropriation)
<b>Other Capital funding for Leveraging San Roberto/Mountain View</b>					
<i>Neighborhood Stabilization Program 3 (NSP)</i>					
FY2007	Federal & Other Competitive Grants	Capital Budget		1,400,000	Federal Receipts
FY2008	Federal & Other Competitive Grants	Capital Budget		2,000,000	Federal Receipts
FY2009	Federal & Other Competitive Grants	Capital Budget		800,000	Federal Receipts
FY2010	Federal & Other Competitive Grants	Capital Budget		800,000	Federal Receipts
FY2011	Capital Fund Program (CFP)	Capital Budget		2,222,836	Federal Receipts
FY2012	Capital Fund Program (CFP)	Capital Budget		1,792,134	Federal Receipts
FY2013	Capital Fund Program (CFP)	Capital Budget		1,531,092	Federal Receipts
FY2014	Capital Fund Program (CFP)	Capital Budget		1,926,338	Federal Receipts
<b>Other funding for San Roberto/Mountain View</b>					
FY2014	Tax Credits			7,700,000	Proceeds from Low Income Housing Party Tax Credits
	Developer Fees			429,000	Deferred Developer's Fee
			<b>29,500,000</b>	<b>32,500,000</b>	<b>Total Development Cost</b>

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# Domestic Violence Designation Program (Empowering Choice Housing Program)

**Reference Number: #54796**

**FY2014 Request: \$1,500,000 State General Funds**

**Purpose:** Provide rental assistance to victims of domestic violence or sexual assault who have been displaced to prevent further harm to the household (Alaska Statute, Section 18.66.990(3)).

**Projected outcome:**

- Rental assistance for up to 250 households statewide
  - Enhances Governor Parnell's *Choose Respect* initiative
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# Statewide Project Improvements

**Reference Number: #40068**

**FY2014 Request: \$2,000,000 State General Funds**

**Purpose:** Address known and unknown conditions in AHFC's housing stock.

**Projected outcome:**

- Funding for emergency repairs, i.e., roof replacements, fire alarm systems, etc.;
  - Quick response to code changes and life/safety issues;
  - Provide amenities not programmed;
  - Quick response to unforeseen conditions; and
  - Enhance operations for individual Asset Management Projects (AMPs).
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# Building System Replacement Program

**Reference Number: #47069**

**FY2014 Request: \$1,500,000 State General Funds**

**Purpose:** Address specific major repair and/or replacement items identified in a five-year review.

**Projected outcome:**

- Reduce maintenance costs;
  - Increase useful life of structure; and
  - Increase safety for tenants.
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# Fire Protection Systems

**Reference Number: #47066**

**FY2014 Request: \$2,200,000 State General Funds**

**Purpose:** Flush, evaluate and make life/safety code repairs to public housing fire protection systems.

**Projected outcome:**

- Reduce maintenance costs;
  - Increase the useful life of structure; and
  - Increase safety for tenants.
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# Security Systems Replacement/Upgrades

**Reference Number: #47068**

**FY2014 Request: \$500,000 State General Funds**

**Purpose:** Upgrade existing security and door access systems to senior housing, for those with disabilities and multi-family public housing complexes.

**Projected outcome:**

- Increase security for residents;
  - Reduce theft and vandalism;
  - Reduce maintenance and custodial costs; and
  - Increase useful life of structures.
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# Housing Loan Program

**Reference Number: #37918**

**FY2014 Request: \$6,000,000 State General Funds**

**Purpose:** Provide gap funding to increase homeownership and/or rental units.

**Projected outcome:**

- Increase Teachers, Health Professionals, or Public Safety official's housing in rural Alaska;
  - This appropriation has two allocations.

# Housing Loan Program: Teacher / Health / Public Safety

**Reference Number: #49395 (Allocation)**

**FY2014 Request: \$5,000,000 State General Funds**

**Purpose:** Provide gap funding to increase homeownership and/or rental units.

## **Projected outcome:**

- Increase Teachers, Health Professionals, or Public Safety official's housing in rural Alaska



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# Housing Loan Program: VPSO

**Reference Number: #49369 (*Allocation*)**

**FY2014 Request: \$1,000,000 State General Funds**

**Purpose:** Provide gap funding to increase homeownership and/or rental units.

**Projected outcome:**

- Adding units for Village Public Safety Officers (VPSO);
  - Increasing affordability for housing purchases by low- to moderate-income families;
  - Lowering interest rates on AHFC mortgage programs to attract loan volume and generate net income.
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# Supplemental Housing Development Program

**Reference Number: #6323**

**FY2014 Request: \$7,000,000 State General Funds**



**Purpose:** Supplement federal housing funds provided to regional housing authorities to ensure safe, decent, affordable housing.

## **Projected outcome:**

- Construction of affordable homes in up to 20 urban and rural communities;
- Build on-site water and sewer facilities;
- Provide energy-efficient design features in homes;
- Construct roads to project sites;
- Provide electrical distribution systems;
- Retrofit homes to provide a safe, healthy, workable home environment; and
- Provide clients with new, safe, energy efficient, comfortable housing.





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# Energy Efficiency Monitoring Research

**Reference Number: #6351**

**FY2014 Request: \$1,000,000 State General Funds**

**Purpose:** Conduct research, analysis, information dissemination, and interchange among members of the industry, as well as between the industry and the public.

**Projected outcome:**

- Conduct research, analysis, information dissemination and interchange among members of the industry, and between industry and the public;
  - Gather data and perform analysis of geographically diverse area energy-efficient designs for homes; and
  - Monitor homes for energy usage, comfort levels, durability, occupant health and economic benefits of efficiency features.
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# Senior Citizen's Housing Development Program (SCHDF)



**Reference Number: #6334**

**FY2014 Request: \$4,500,000 State General Funds**

**Purpose:** Provide funds for development of senior citizen housing and accessibility modification to seniors' residences.

**Projected outcome:**

- Three development projects or about 30 units;
- Modifications for accessibility for approximately 40 units; and
- Provide technical assistance grants for building capacity in organizations that develop senior housing.



Raven's View I & II  
– Cooper Landing  
Senior Citizens  
SCHDF, Denali  
Commission –  
AHFC Financed –  
12 Units 2007 &  
2008



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# HUD Federal HOME Grant Program

**Reference Number: #6347**

**FY2014 Request:           \$750,000   State General Funds**  
                                  **\$3,350,000   Federal Receipts**

**Purpose:** Expand supply of affordable, low- and moderate- income housing and strengthen ability of State to design and implement strategies to achieve adequate supply of safe, energy-efficient and affordable housing.

**Projected outcome:**

- Develop affordable rental housing by funding development gap for four rental projects or about 50 units;
  - Weatherize 42 homes;
  - Assist 35 homebuyers to achieve homeownership for lower-income families by providing down payment and closing cost assistance; and
  - Preserve low-income homes through a moderate rehabilitation.
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**Fairview Manor Redevelopment in Fairbanks**  
**– Before and After – 130 new units of affordable housing**



The first two phases of Weeks Field Estates were completed in May 2010. Funding was allocated through FY08 and FY09 GOAL, NSP, ARRA, and AHFC mortgage programs



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# HUD Capital Fund Program (CFP)

**Reference Number: #6342**

**FY2014 Request: \$3,200,000 Federal Receipts**

**Purpose:** Renovate and modernize public housing rental units statewide.

**Projected outcome:**

- Modernize public housing rental units;
  - Code compliance; and/or
  - Conduct energy audits.
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# Federal and Other Competitive Grants

**Reference Number: #6348**

**FY2014 Request:      \$5,000,000      Federal Receipts**  
**\$1,500,000      State General Funds**

**Purpose:** Allow AHFC to apply for HUD, other federal agency, and private foundation grants that target housing needs and supportive services of low-income and groups with needs such as senior citizens, those with mental, physical, or developmental disabilities, or homeless Alaskans.

**Projected outcome:**

- Fund matching portion when needed;
  - HUD Supportive Housing;
  - Housing Opportunities for Persons With AIDS (HOPWA);
  - USDA Housing Preservation Grant Program;
  - Grant Match Program; and
  - HUD Technical Assistance Program.
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# Competitive Grants for Public Housing

**Reference Number: #6350**

<b>FY2014 Request:</b>	<b>\$750,000</b>	<b>Federal Receipts</b>
	<b>\$350,000</b>	<b>State General Funds</b>

**Purpose:** Allow AHFC to apply for HUD, other federal agency, and private foundation grants that target housing needs of low-income and groups with special needs who live in public and/or assisted housing.

**Projected outcome:**

- Match requirements for federal grants such as:
    - Family Self-Sufficiency (FSS) Coordinator and case workers;
    - Senior Services Coordinator; or
    - Resident Opportunities and Supportive Services (ROSS) grant.
  - Match for operations of services, such as after-school programs, public housing developments and resident computer training labs.
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# AHFC Energy Programs

**Reference Number: #52598**

**FY2014 Request:      \$50,000,000 State General Funds  
                             \$1,500,000 Federal Receipts**

**Purpose:** Provide cost-effective energy improvements to homes.

This appropriation has two allocations.

- AHFC Weatherization Program
- AHFC Energy Rebate Program

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# AHFC Energy Programs – Weatherization

(Allocation)

**Reference Number: #50683**

**FY2014 Request:      \$30,000,000 State General Funds**  
**\$1,500,000 Federal Receipts**

**Purpose:** Provide cost-effective energy improvements to homes occupied by low-income families throughout the state.

**Projected outcome:**

- Reduce household operating costs of the resident;
  - Improve resident health and safety;
  - Improve durability and longevity of housing stock;
  - Replace unsafe heating systems;
  - Install smoke detectors and/or carbon monoxide detectors;
  - Create and sustain local jobs
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Before



After

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# AHFC Energy Programs – Home Energy Rebate (Allocation)

**Reference Number: #51947**

**FY2014 Request: \$20,000,000 State General Funds**

**Purpose:** Assist homeowners to decrease fuel consumption by providing rebates for making recommended, cost-effective energy improvements to their homes throughout the state.

**Projected outcome:**

- Reduce household operating costs of the resident;
  - Improve resident health and safety;
  - Improve durability and longevity of housing stock;
  - Replace unsafe heating systems;
  - Gather statistical intelligence about home energy consumption.
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# Statewide ADA Improvements

**Reference Number: #45389**

**FY2014 Request: \$500,000 State General Funds**

**Purpose:** Address recommendations suggested in the recent American Disability Act (ADA) audit.

**Projected outcome:**

- Comply with HUD Voluntary Compliance Agreement;
  - Comply with Americans with Disabilities Act (ADA);
  - Comply with Section 504 of the Fair Housing Act;
  - Increase access for tenants and visitors with disabilities;
  - Allows for “aging-in-place” for seniors;
  - Increase unit rent-ability; and
  - Maintain federal funding by complying with HUD mandates.
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# Homeless Assistance Program (HAP) (Mental Health Bill)

**Reference Number: #45390**

<b>FY2014 Request:</b>	<b>\$6,300,000</b>	<b>State General Funds</b>
	<b>\$850,000</b>	<b>MHTAAR</b>
	<b>\$850,000</b>	<b>GF/Mental Health</b>

**Purpose:** Support programs that address homelessness by providing assistance to families in imminent danger of becoming homeless or those who are currently homeless.

**Projected outcome:**

- Prevent near homeless individuals and families from becoming homeless; and/or
  - Provide homeless individuals and families assistance to obtain safe, sanitary shelter.
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# Beneficiary and Special Needs Housing (Mental Health Bill)

**Reference Number: #6360**

**FY2014 Request: \$1,750,000 State General Funds**

**Purpose:** Provide funds for Alaskan nonprofit service providers and housing developers to increase housing opportunities to Alaska Mental Health Trust beneficiaries and other special needs populations throughout Alaska.

**Projected outcome:**

- Add 40 congregate housing units for people with mental illness or developmental disabilities;
  - Reduce recidivism among clients spending time in institutions;
  - Provide supportive housing, including assisted living, for people with mental, physical, or developmental disabilities, or multiple disorders; and
  - Provide transitional housing with support services for newly recovering alcoholics and addicts.
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## REACH, Inc. - REACH Assisted Living Facility in Juneau. Completed in May 2011



Special Needs Housing Grant funded  
project from FY2009 Cycle



# Questions?