

# **Alaska Housing Finance Corporation Presentation to House Labor & Commerce**

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# Introduction

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## 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, FY23

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- ~300 employees with offices in 16 communities.
- Supports Public Housing with ~1,600 units and ~6,000 Vouchers
- AHFC's dividend to the State of Alaska is \$23.4 million



# AHFC Performance

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- Mortgage portfolio is stable;
- Delinquencies and foreclosures are historically low; among lowest in US
- Public Housing funds are increasing.
- Alaska Corporation for Affordable Housing development activity



*Alaska Corporation for Affordable Housing is constructing 58 new units in Fairbanks. Completion date: Sept. 2024.*

# Defining Affordable Housing

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- No more than 30% of gross household income on monthly payments including utilities –
  - HUD measure - In general, % of income for housing expenses goes down as incomes rise.
- Targeting households below 80% of the median with deeper assistance to households less than 50% of median
- Crossover point in Alaska is generally at 60% of median
  - Households below 60% pay more than 30% of income for rent

# AHFC

## Affordable Housing Programs

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### Federal Programs:

- Low Income Housing Tax Credit
- Home Investment Partnership Act
- National Housing Trust Fund
- Weatherization
- Public Housing
- Housing Choice Vouchers

### State Programs:

- Senior Citizens Housing Development
- Special Needs Housing Grant Programs (SNHG)
- Supplemental Housing Development
- Homeless Assistance Program





# AHFC's COVID Response

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COVID-19 Federal Funding Emergency  
Rental Assistance (\$370 million)

- Contributions from Municipality of Anchorage and 14 organizations representing 148 tribes

Homeowner Assistance Fund (\$50 million)

Public Housing's Emergency Housing Vouchers



# Rental Assistance

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- \$262.6 million paid on behalf of 26,223 applicant households
- 11,012 participating landlords
- Arrearages addressed first; up to 12 months of assistance + 3 month subsequent application period
- Housing Stabilization





# Homeowner Assistance

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## Homeowner Assistance Fund (\$50 million)

- Provided three months of mortgage payments for borrowers current on their loans.
- Reinstated borrowers who are delinquent
- 7,154 households served
- Mortgage payments, utilities, property tax payments, condo dues

# Alaska's Housing Market

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- Ongoing Research Contract with Department of Labor and Workforce Development
  - Annual rental market survey
  - Quarterly survey of lenders
- Program Operations
  - Community specific market studies
  - Development and operating costs of rental properties
- Operating data from compliance monitoring and energy use
  - Occupancy data from hundreds of properties
  - Renewable energy production and usage

# Alaska's Housing Market

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## Overview:

- Rental markets
  - Low vacancy rates throughout state
  - Multiple rent increases within same year have been reported
  - Impact from short term vacation rentals is challenging to quantify
- Homeowner Market
  - Interest rates impact potential homeowners and renters
  - Building costs are high, but supply chains are improving
  - Impact from short term vacation rentals on homeowner stock
- Overcrowding, aging housing stock and new development in rural areas continue to be challenges

# Questions & Answers

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