

Alaska Housing Finance Corporation Presentation to House Labor & Commerce

Feb. 8, 2023 Mark Romick, Deputy Executive Director



4300 Boniface Parkway | Anchorage, Alaska 99504 | P.O. Box 101020 | Anchorage, Alaska 99510 907-338-6100 (Anchorage) or 1-800-478-AHFC (2432) | www.ahfc.us



Introduction



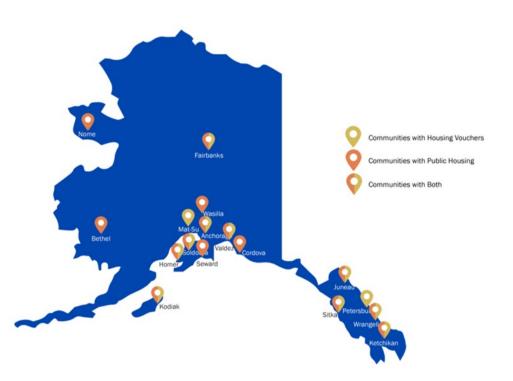


Alaska Housing Finance Corporation (AHFC) is a self-supporting public corporation with offices in 16 communities statewide. AHFC provides statewide financing for multi-family complexes and single-family homes, with loan options for low- to moderate-income borrowers, veterans, teachers, nurses, public 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



- ~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



- 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 Alas



- 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



- 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



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



- \$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



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



- 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



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



