

Introduced: 3/13/89
Referred: State Affairs and
Finance

6-1011A

1 IN THE HOUSE

BY ULMER AND HUDSON

2

HOUSE BILL NO. 218

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act extending the authority of the Alaska Housing
7 Finance Corporation to assist in the development of
8 senior citizens' housing; and providing for an effective date."
9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 18.56.100(b) is amended to read:

12 (b) Consistent with AS 18.56.090, the corporation may make
13 temporary and permanent loans from the housing development fund, at an
14 interest rate or rates determined by the corporation, and with the
15 security for repayment that is necessary and practicable, to purchase,
16 make, or participate in the making of mortgage loans

17 (1) to borrowers for loans to develop, build, repair,
18 remodel, or rehabilitate residential housing for senior citizens and
19 their spouses that is used and occupied as congregate housing; or

20 (2) that are not federally insured or guaranteed for res-
21 idential housing, if the corporation determines that the loans are not
22 otherwise available, wholly or in part, from private lenders upon
23 reasonably equivalent terms and conditions.

24 * Sec. 2. AS 18.56.100 is amended by adding new subsections to read:

25 (1) The corporation shall use money in the housing development
26 fund to reduce the interest payable by borrowers who develop housing
27 for senior citizens and their spouses under (b)(1) of this section.
28 The corporation may reduce the interest rate on a loan entered into
29 under (b)(1) of this section and this subsection to one percent less

1 than the interest rate payable on the corporation's bonds issued under
2 AS 18.56.110 - 18.56.170 for development of the project. If a project
3 developed by a borrower with a reduced interest subsidy made under
4 this subsection ceases to be used for senior citizen congregate hous-
5 ing, the corporation shall adjust the interest rate payable on the
6 unpaid balance of the loan to the prevailing rate of interest charged
7 by the corporation on loans made for other residential purposes; but
8 may not reduce the interest rate payable below the subsidized rate.

9 (m) The corporation shall adopt regulations to implement (b)(1)
10 and (1) of this section that

11 (1) determine borrower eligibility;

12 (2) define procedures for the application, review, and
13 approval of authorized loans;

14 (3) establish loan guidelines, loan terms, and acceptable
15 security for loans; and

16 (4) identify characteristics of housing projects eligible
17 for loans.

18 (n) In (b)(1), (1), and (m) of this section

19 (1) "congregate housing" means a multi-family group-living
20 building that contains individual residence areas and common facil-
21 ities for congregate living;

22 (2) "senior citizen" means a resident of the state who is
23 65 years of age or older.

24 * Sec. 3. This Act takes effect July 1, 1989.