

AHFC Village Public Safety Officers Housing**FY2011 Request: \$1,000,000****Reference No: 49369****AP/AL:** Allocation**Project Type:** Economic Assistance**Category:** Public Protection**Location:** Statewide**Contact:** Les Campbell**House District:** Statewide (HD 1-40)**Contact Phone:** (907)330-8356**Estimated Project Dates:** 07/01/2010 - 06/30/2015**Appropriation:** AHFC Housing Loan Program**Brief Summary and Statement of Need:**

Corporate (AHFC) funds to supplement the Corporation's popular housing programs through gap funding. These funds will allow AHFC to expand business opportunities for the Village Public Safety Officer (VPSO) program.

| Funding: | <u>FY2011</u> | <u>FY2012</u> | <u>FY2013</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>Total</u> |
|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| AHFC Div | \$1,000,000 | | | | | | \$1,000,000 |
| Total: | \$1,000,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,000,000 |

| | | | | |
|---|---|---------------------------------------|---|--|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway | <input checked="" type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required | | <input type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill | |

Operating & Maintenance Costs:

| | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0 | 0 |
| Ongoing Operating: | 0 | 0 |
| One-Time Startup: | 0 | 0 |
| Totals: | 0 | 0 |

Additional Information / Prior Funding History:

None

Project Description/Justification:

The purpose of this program is to provide gap funding to increase homeownership and/or rental units throughout the state. This program is designed to help retain desirable professionals in high-cost areas.

The projected outcomes are:

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

Housing Loan Program - VPSO utilizes Corporate (AHFC) funds to supplement the Corporation's popular housing programs through gap funding. Funding will allow AHFC to expand business opportunities with new housing programs specifically for the VPSO program.

The Alaska Housing Finance Corporation will set aside \$1,000,000 for applicants proposing to build, acquire, or rehabilitate housing for Village Public Safety Officers. This funding will be used to priority

fund the highest ranked applications for VPSO housing. The set aside will provide an incentive for villages, local governments, or other rural entities to build housing for VPSOs by subsidizing a portion of the project development cost. Having decent, safe, and affordable housing will help villages attract and retain VPSOs.

The primary focus of this program has been to provide a source of grant funds that will help pay for the development of decent, safe, and affordable rental housing for teacher, health professionals, and public safety officials. This program has and will continue to generate additional loan volume for AHFC.

Attracting and maintaining a pool of qualified teachers, health professionals, and public safety professionals in rural Alaska is a goal of the State of Alaska. In order to achieve this, housing must be available, affordable, and of a quality that encourages these professionals to locate and stay in rural settings. These programs were developed to respond to the need for additional housing for professionals and their families by providing grants to fill the funding gap for various housing projects. Funding is made available through a competitive process for new construction, rehabilitation, acquisition of rental or lease/purchase housing.

The Corporation, based on loan demand, interest rate fluctuations, and market conditions, may change rate reductions and certain eligibility criteria.