

AHFC Village Public Safety Officers Housing

FY2012 Request: \$1,000,000

Reference No: 49369

AP/AL: Allocation

Project Type: Economic Assistance

Category: Public Protection

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Les Campbell

Estimated Project Dates: 07/01/2011 - 06/30/2015

Contact Phone: (907)330-8356

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 with new housing programs specifically set aside \$1,000,000 for the VPSO program.

Funding:	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>Total</u>
Gen Fund	\$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	
Totals:	0	0

Additional Information / Prior Funding History:

FY2011 \$1,000,000 AHFC Div.

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:

- 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.

The VPSO Housing Loan Program utilizes corporate (AHFC) funds to supplement the Corporation's popular housing programs through gap funding. These funds will allow AHFC to expand business opportunities with new housing programs specifically set aside \$1,000,000 for the VPSO program.

The Alaska Housing Finance Corporation will have a \$1,000,000 set aside to 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.

These funds are set aside to expand business opportunities with new housing programs specifically set for the Village Public Safety Officer's program.