

**State of Alaska**  
**FY2021 Governor's Operating Budget**

**Department of Revenue**  
**Alaska Corporation for Affordable Housing**  
**Component Budget Summary**

**Component: Alaska Corporation for Affordable Housing**

## **Contribution to Department's Mission**

The Alaska Corporation for Affordable Housing (ACAH) is a non-profit subsidiary of the Alaska Housing Finance Corporation (AHFC). ACAH is a separate and distinct legal entity from AHFC formed to develop, manage, and operate affordable housing. AHFC's statutes do not provide AHFC with the ability to participate in some financing and ownership structures; therefore, ACAH is positioned to undertake the types of affordable housing and services not open to AHFC directly but which support the mission of providing affordable housing and services to individuals and groups in need. Properties developed or operated through ACAH are positioned to leverage private sector resources. Examples include usage of the Low Income Housing Tax Credit (LIHTC) program, accessing tax-exempt bond financing, debt financing, and partnering with private sector developers. Additionally, developments can be structured with greater flexibility and less restrictive revenue sources such as grant and private foundation funding, lease and soft loan payments, development fees, etc.

## **Major Component Accomplishments in 2019**

ACAH currently holds the ground lease on the Loussac Place (120 unit) project, as well as several other properties statewide. Two projects to date have been developed using ACAH: Susitna Square (18 units) and Ridgeline Terrace (70 units). These two development projects completed their third year of operations in CY2018. Both projects are operating successfully with positive cash flow. Maintaining annual administration of these projects to enforce obligations are critical to the ongoing cash flow necessary to maintain ACAH's operations.

## **Key Component Challenges**

- The authority to use a broad scope of financing options enables AHFC/ACAH to implement optimal financing solutions. Each real estate deal is dynamic and unique. The flexibility to leverage the best combination of resources for each deal is the key to minimizing the aggregate resources required to expand housing opportunities for Alaskans. This entrepreneurial model has empowered ACAH to realize adaptive strategies that consistently bring projects in under budgeted authority;
- Housing development is complex with multiple layers of funding partnered with multiple private and public entities. AHFC looks to foster housing development projects through a bid process that facilitates a competent development team with experience in multi-family development, low-income tax credit syndication, and tax-exempt bond financing. The developments are built by private entities, but owned and managed by Alaska Corporation for Affordable Housing (ACAH) as a general partner; and
- Working with local community councils and other interested groups to keep them informed of the progress and updates on development plans.

## **Significant Changes in Results to be Delivered in FY2021**

Any land purchased for development is transferred to ACAH. The land is leased by ACAH to a Low Income Housing Tax Credit limited partnership. The limited partnership may continue to operate the project as affordable housing with ACAH as the managing general partner, or member of the general partner entity. ACAH may also contract with AHFC staff to manage and maintain the development as low-income housing tax credit/affordable housing.

## **Statutory and Regulatory Authority**

In May 2011, HB119 was signed into law amending AS 18.56.086 to include "the acquisition, development, management, or operation of affordable housing" to the category of activities for which AHFC could create a subsidiary corporation. ACAH is organized as a 501(c)(3) tax-exempt organization under the IRS Code. ACAH is a corporation incorporated under the Alaska Nonprofit Corporation Act (AS 10.20) and provisions of the Alaska Housing

Finance Corporation Act (AS 18.56). ACAH is required to operate in accordance with Alaska Statute (AS) 10.20, IRS 501(c)(3) charity compliance, the ACAH Articles of Incorporation, and ACAH Bylaws.

ACAH is a separate corporate entity with the power to adopt its own regulations if the need exists. As a subsidiary, AHFC has the ability to grant to ACAH all powers vested in AHFC. As such, ACAH has been granted the power to borrow money and issue bonds as evidence of that borrowing, and, as granted by AHFC under AS 18.56, shall have all powers of a corporation formed under AS 10.20 to the extent not in conflict with AS 18.56, and shall have generally all powers as possessed by AHFC through AS 18.56, such as the power to: include pledges with respect to bonds and bondholders; to acquire property by purchase, grant, lease, gift, or otherwise; to hold, use, sell, convey, mortgage, pledge, exchange, or otherwise dispose of ACAH's assets; to issue and sell bonds, notes, or other obligations; to retain or employ legal counsel, auditors, engineers and private consultants on a contract basis; to comply with and enforce its agreements with the holders of the obligations.

Contact Information
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**Alaska Corporation for Affordable Housing  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2020</u> <u>Management</u> <u>Plan</u>	<u>FY2021</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	169,849
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	118,363
			<i>Less 1.74% Vacancy Factor</i>	<i>(5,009)</i>
			Lump Sum Premium Pay	0
			Board Honoraria	1,721
<b>Totals</b>	<b>2</b>	<b>2</b>	<b>Total Personal Services</b>	<b>284,924</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Manager, System Operations	1	0	0	0	1
Technical Support Spec II	1	0	0	0	1
<b>Totals</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>

**Component Board Summary**

Board Description	Member Count	Pay Per Day	Budgeted Days	Additional Pay	Total Cost
Alaska Housing Finance Corporation Board	4	100.00	4	0.00	1,721.28
<b>Total</b>					<b>1,721.28</b>

**Component Detail All Funds**  
**Department of Revenue**

**Component:** Alaska Corporation for Affordable Housing (3048)  
**RDU:** Alaska Housing Finance Corporation (46)

Non-Formula Component

	FY2019 Actuals	FY2020 Conference Committee	FY2020 Authorized	FY2020 Management Plan	FY2021 Governor	FY2020 Management Plan vs FY2021 Governor	
71000 Personal Services	179.0	264.9	264.9	284.9	284.9	0.0	0.0%
72000 Travel	8.0	24.8	24.8	24.8	24.8	0.0	0.0%
73000 Services	63.6	149.7	149.7	129.7	129.7	0.0	0.0%
74000 Commodities	3.4	24.8	24.8	24.8	24.8	0.0	0.0%
75000 Capital Outlay	0.0	15.0	15.0	15.0	15.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>254.0</b>	<b>479.2</b>	<b>479.2</b>	<b>479.2</b>	<b>479.2</b>	<b>0.0</b>	<b>0.0%</b>
<b>Fund Sources:</b>							
1002 Fed Rcpts (Fed)	100.0	307.0	307.0	307.0	307.0	0.0	0.0%
1061 CIP Rcpts (Other)	154.0	172.2	172.2	172.2	172.2	0.0	0.0%
<b>Unrestricted General (UGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>154.0</b>	<b>172.2</b>	<b>172.2</b>	<b>172.2</b>	<b>172.2</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>100.0</b>	<b>307.0</b>	<b>307.0</b>	<b>307.0</b>	<b>307.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	2	2	2	2	2	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Revenue**

**Component:** Alaska Corporation for Affordable Housing (3048)

**RDU:** Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2020 Conference Committee To FY2020 Authorized *****												
<b>FY2020 Conference Committee</b>												
ConfCom		479.2	264.9	24.8	149.7	24.8	15.0	0.0	0.0	2	0	0
1002 Fed Rcpts		307.0										
1061 CIP Rcpts		172.2										
<b>Subtotal</b>		<b>479.2</b>	<b>264.9</b>	<b>24.8</b>	<b>149.7</b>	<b>24.8</b>	<b>15.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2020 Authorized To FY2020 Management Plan *****												
<b>Align Authority with Anticipated Expenditures</b>												
LIT		0.0	20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from services to cover anticipated personal services costs. The remaining services authority is sufficient to cover anticipated expenditures.												
<b>Subtotal</b>		<b>479.2</b>	<b>284.9</b>	<b>24.8</b>	<b>129.7</b>	<b>24.8</b>	<b>15.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
***** Changes From FY2020 Management Plan To FY2021 Governor *****												
<b>Totals</b>		<b>479.2</b>	<b>284.9</b>	<b>24.8</b>	<b>129.7</b>	<b>24.8</b>	<b>15.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>

**Line Item Detail (1676)**  
**Department of Revenue**  
**Travel**

**Component:** Alaska Corporation for Affordable Housing (3048)

<b>Line Number</b>	<b>Line Name</b>			<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
2000	Travel			8.0	24.8	24.8
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>		<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
<b>2000 Travel Detail Totals</b>				<b>8.0</b>	<b>24.8</b>	<b>24.8</b>
2000	In-State Employee Travel	Rev - AK Corp for Affordable Housing (3048)	Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	1.6	14.8	14.8
2002	Out of State Employee Travel	Rev - AK Corp for Affordable Housing (3048)	Employee out of state travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	6.4	10.0	10.0

**Line Item Detail (1676)**  
**Department of Revenue**  
**Services**

**Component:** Alaska Corporation for Affordable Housing (3048)

<b>Line Number</b>	<b>Line Name</b>			<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
3000	Services			63.6	129.7	129.7
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>		<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
<b>3000 Services Detail Totals</b>				<b>63.6</b>	<b>129.7</b>	<b>129.7</b>
3004	Telecommunications	Rev - AK Corp for Affordable Housing (3048)	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	0.8	0.0	0.0
3008	Utilities	Rev - AK Corp for Affordable Housing (3048)	Utilities	0.0	6.6	6.6
3009	Structure/Infrastructure/Land	Rev - AK Corp for Affordable Housing (3048)	Repairs/maintenance of structures or infrastructure	5.1	0.0	0.0
3011	Other Services	Rev - AK Corp for Affordable Housing (3048)	Professional management and consulting services: printing and copying services	52.2	123.1	123.1
3024	Inter-Agency Legal	Rev - AK Corp for Affordable Housing (3048)	Legal services provided by the Department of Law	5.5	0.0	0.0

**Line Item Detail (1676)**  
**Department of Revenue**  
**Commodities**

**Component:** Alaska Corporation for Affordable Housing (3048)

<b>Line Number</b>	<b>Line Name</b>			<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
4000	Commodities			3.4	24.8	24.8
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>		<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
<b>4000 Commodities Detail Totals</b>				<b>3.4</b>	<b>24.8</b>	<b>24.8</b>
4000	Business	Rev - AK Corp for Affordable Housing (3048)	Business supplies including book and educational equipment and furniture; office supplies; desktop computers, printers and IT equipment less than \$5,000 per item; and subscriptions including electronic access to information	3.4	24.8	24.8

**Line Item Detail (1676)**  
**Department of Revenue**  
**Capital Outlay**

**Component:** Alaska Corporation for Affordable Housing (3048)

<b>Line Number</b>	<b>Line Name</b>			<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
5000	Capital Outlay			0.0	15.0	15.0
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>		<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>
<b>5000 Capital Outlay Detail Totals</b>				<b>0.0</b>	<b>15.0</b>	<b>15.0</b>
5004	Equipment	Rev - AK Corp for Affordable Housing (3048)	IT Equipment > \$5,000: servers and other network equipment, firewall and remote access equipment, tape backup devices and general office equipment/furniture > \$5,000	0.0	15.0	15.0

**Revenue Detail (1681)**  
**Department of Revenue**

**Component:** Alaska Corporation for Affordable Housing (3048)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
<b>5002 Fed Rcpts (1002 Fed Rcpts)</b>			<b>100.0</b>	<b>307.0</b>	<b>307.0</b>
5002 Federal General Government - Miscellaneous Grants	Rev - AHFC Operations (110)		100.0	0.0	0.0
5019 Federal - Miscellaneous Grants	Rev - AK Corp for Affordable Housing (3048)	Federal Funding - Public Housing Programs	0.0	307.0	307.0
<b>5061 CIP Rcpts (1061 CIP Rcpts)</b>			<b>154.0</b>	<b>172.2</b>	<b>172.2</b>
5351 Capital Improvement Project Inter-Agency	Rev - AHFC Operations (110)	Capital Improvement Projects - Affordable Housing Development Funding	154.0	172.2	172.2

**Inter-Agency Services (1682)**  
**Department of Revenue**

**Component:** Alaska Corporation for Affordable Housing (3048)

				FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
<b>Component Totals</b>				<b>75.0</b>	<b>194.3</b>	<b>194.3</b>
With Department of Revenue				75.0	194.3	194.3
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2019 Actuals</b>	<b>FY2020 Management Plan</b>	<b>FY2021 Governor</b>	
2000	In-State Employee Travel	Rev - AK Corp for Affordable Housing (3048)	1.6	14.8	14.8	
2002	Out of State Employee Travel	Rev - AK Corp for Affordable Housing (3048)	6.4	10.0	10.0	
3004	Telecommunications	Rev - AK Corp for Affordable Housing (3048)	0.8	0.0	0.0	
3008	Utilities	Rev - AK Corp for Affordable Housing (3048)	0.0	6.6	6.6	
3009	Structure/Infrastructure/Land	Rev - AK Corp for Affordable Housing (3048)	5.1	0.0	0.0	
3011	Other Services	Rev - AK Corp for Affordable Housing (3048)	52.2	123.1	123.1	
3024	Inter-Agency Legal	Rev - AK Corp for Affordable Housing (3048)	5.5	0.0	0.0	
4000	Business	Rev - AK Corp for Affordable Housing (3048)	3.4	24.8	24.8	
5004	Equipment	Rev - AK Corp for Affordable Housing	0.0	15.0	15.0	

**Inter-Agency Services (1682)**  
**Department of Revenue**

**Component:** Alaska Corporation for Affordable Housing (3048)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
	(3048)	other network equipment, firewall and remote access equipment, tape backup devices and general office equipment/furniture > \$5,000			

**Personal Services Expenditure Detail**  
**Department of Revenue**

**Scenario:** FY2021 Governor (16414)  
**Component:** Alaska Corporation for Affordable Housing (3048)  
**RDU:** Alaska Housing Finance Corporation (46)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
04-073X	Technical Support Spec II	FT	1	--	Anchorage	-A	17C / D	12.0		61,318	0	0	50,445	111,763	0
04-078X	Manager, System Operations	FT	1	--	Anchorage	-A	22J / K	12.0		108,531	0	0	67,918	176,449	0
													<b>Total Salary Costs:</b>	169,849	
													<b>Total COLA:</b>	0	
													<b>Total Premium Pay:</b>	0	
													<b>Total Benefits:</b>	118,363	
													<b>Total Pre-Vacancy:</b>	288,212	
													<b>Minus Vacancy Adjustment of 1.74%:</b>	(5,009)	
													<b>Total Post-Vacancy:</b>	283,203	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Plus Board Honoraria Pay:</b>	1,721	
													<b>Personal Services Line 100:</b>	284,924	
<b>Total Component Months:</b>		24.0													

<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1002 Federal Receipts	116,210	114,190	40.32%
1061 Capital Improvement Project Receipts	172,002	169,013	59.68%
<b>Total PCN Funding:</b>	<b>288,212</b>	<b>283,203</b>	<b>100.00%</b>

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Department of Revenue  
Alaska Housing Finance Corporation - ACAH  
FY2021 Governor's Budget  
Total Positions: 2 FT/0 PT/0 NP

