

**State of Alaska
FY2023 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 2021

- ACAH currently holds the ground lease on the Loussac Place (120 unit) project, as well as several other properties statewide.
- ACAH has developed two projects: Susitna Square (18 units) and Ridgeline Terrace (70 units).
- ACAH has operated its housing development projects with positive cash flow over the last four years.

Key Component Challenges

- Using a broad scope of fiscal options to implement optimal financing solutions.
- Leveraging the best combination of resources to expand housing opportunities for Alaskans.
- Performing housing development with multiple layers of funding in collaboration with multiple private and public entities.
- Managing projects effectively to ensure ongoing cash flow necessary for operations.

Significant Changes in Results to be Delivered in FY2023

No changes in results to be delivered.

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>FY2022</u> <u>Management</u> <u>Plan</u>	<u>FY2023</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	164,320
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	120,604
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	284,924

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
Totals	2	0	0	0	2

Component Detail All Funds
Department of Revenue

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

Non-Formula Component

	FY2021 Actuals	FY2022 Conference Committee	FY2022 Authorized	FY2022 Management Plan	FY2023 Governor	FY2022 Management Plan vs FY2023 Governor	
71000 Personal Services	269.1	298.5	298.5	299.2	284.9	-14.3	-4.8%
72000 Travel	0.7	24.8	24.8	24.8	24.8	0.0	0.0%
73000 Services	104.6	129.7	129.7	139.0	139.5	0.5	0.4%
74000 Commodities	0.0	24.8	24.8	14.8	14.8	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%
Totals	374.4	492.8	492.8	492.8	479.0	-13.8	-2.8%
Fund Sources:							
1002 Fed Rcpts (Fed)	217.9	312.1	312.1	312.1	306.9	-5.2	-1.7%
1061 CIP Rcpts (Other)	156.5	180.7	180.7	180.7	172.1	-8.6	-4.8%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	156.5	180.7	180.7	180.7	172.1	-8.6	-4.8%
Federal Funds	217.9	312.1	312.1	312.1	306.9	-5.2	-1.7%
Positions:							
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 FY2022 Conference Committee To FY2022 Authorized *****												
FY2022 Conference Committee	ConfCom	492.8	298.5	24.8	129.7	24.8	15.0	0.0	0.0	2	0	0
1002 Fed Rcpts		312.1										
1061 CIP Rcpts		180.7										
Subtotal		492.8	298.5	24.8	129.7	24.8	15.0	0.0	0.0	2	0	0
***** Changes From FY2022 Authorized To FY2022 Management Plan *****												
Align Authority with Anticipated Expenditures	LIT	0.0	0.7	0.0	9.3	-10.0	0.0	0.0	0.0	0	0	0
Transfer authority from commodities to personal services and services for anticipated expenditures. The remaining commodities authority is sufficient to cover anticipated expenditures.												
Subtotal		492.8	299.2	24.8	139.0	14.8	15.0	0.0	0.0	2	0	0
***** Changes From FY2022 Management Plan To FY2023 Governor *****												
FY2023 AHFC Salary and Health Insurance Changes	SalAdj	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-0.1										
1061 CIP Rcpts		-0.1										
FY2023 Change AHFC Unique Rate from 7.83% to 7.26%: \$-0.2												
Reverse FY2022 PERS Actuarial Rate Change to 30.11%	Dec	-13.6	-13.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-5.1										
1061 CIP Rcpts		-8.5										
The Alaska Housing Finance Corporation (AHFC) is a separate corporation and does not participate in the increased PERS rate as a result of the passing of SB55. AHFC's PERS rate remains at 22%.												
Align Authority with Anticipated Expenditures	LIT	0.0	-0.5	0.0	0.5	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to services for anticipated expenditures. The remaining personal services authority is sufficient to cover anticipated expenditures.												
Totals		479.0	284.9	24.8	139.5	14.8	15.0	0.0	0.0	2	0	0

Line Item Detail (1676)
Department of Revenue
Travel

Component: Alaska Corporation for Affordable Housing (3048)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
2000	Travel		0.7	24.8	24.8
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
2000 Travel Detail Totals			0.7	24.8	24.8
2000	In-State Employee Travel	Airfare, lodging, surface transportation, reimbursable travel costs, meals and incidentals	0.7	14.8	14.8
2002	Out of State Employee Travel	Airfare, lodging, surface transportation, reimbursable travel costs, meals and incidentals	0.0	10.0	10.0

Line Item Detail (1676)
Department of Revenue
Services

Component: Alaska Corporation for Affordable Housing (3048)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3000	Services		104.6	139.0	139.5
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3000 Services Detail Totals			104.6	139.0	139.5
3001	Financial Services	Accounting, auditing, and management/consulting services	11.7	0.0	0.0
3008	Utilities	Utilities	1.0	7.6	6.6
3009	Structure/Infrastructure/Land	Infrastructure maintenance and repairs, rentals, and leases	5.3	0.0	0.0
3011	Other Services	Professional management and consulting services; printing and copying services	82.4	131.4	132.9
3024	Inter-Agency Legal	Law - Department-wide Legal services provided by the Department of Law	4.2	0.0	0.0

Line Item Detail (1676)
Department of Revenue
Commodities

Component: Alaska Corporation for Affordable Housing (3048)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
4000	Commodities		0.0	14.8	14.8
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
4000 Commodities Detail Totals			0.0	14.8	14.8
4000	Business	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	0.0	14.8	14.8

Line Item Detail (1676)
Department of Revenue
Capital Outlay

Component: Alaska Corporation for Affordable Housing (3048)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
5000	Capital Outlay		0.0	15.0	15.0
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
5000 Capital Outlay Detail Totals			0.0	15.0	15.0
5004	Equipment	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)				FY2022	
Revenue Source	Component	Comment	FY2021 Actuals	Management Plan	FY2023 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			217.9	312.1	306.9
5019 Federal - Miscellaneous Grants		Federal Funding - Public Housing Programs	217.9	312.1	306.9
5061 CIP Rcpts (1061 CIP Rcpts)			156.5	180.7	172.1
5351 Capital Improvement Project Inter-Agency		Capital Improvement Projects - Affordable Housing Development Funding	156.5	180.7	172.1

Inter-Agency Services (1682)
Department of Revenue

Component: Alaska Corporation for Affordable Housing (3048)

				FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
Component Totals				4.2	0.0	0.0
With Department of Law				4.2	0.0	0.0
Object Class	Servicing Agency	Explanation		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3024	Inter-Agency Legal	Law - Department-wide	Legal services provided by the Department of Law	4.2	0.0	0.0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2023 Governor (18673)
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	17D	12.0		61,318	0	0	52,042	113,360	0
04-078X	Manager, System Operations	FT	1	--	Anchorage	-A	22I / J	12.0		103,002	0	0	68,562	171,564	0
													Total Salary Costs:	164,320	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	120,604	
													Total Pre-Vacancy:	284,924	
													Minus Vacancy Adjustment of 0.00%:	(0)	
													Total Post-Vacancy:	284,924	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	284,924	
Total Component Months:		24.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1002 Federal Receipts	113,360	113,360	39.79%
1061 Capital Improvement Project Receipts	171,564	171,564	60.21%
Total PCN Funding:	284,924	284,924	100.00%

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
FY2023 Governor's Budget
Total Positions: 2 FT/0 PT/0 NP

