

Introduced by: Mayor Springer
Date: February 13, 2024
Action: Passed
Vote: 6-0

CITY OF BETHEL, ALASKA

Resolution #24-02

**A RESOLUTION BY THE BETHEL CITY COUNCIL
AUTHORIZING ADMINISTRATION TO EVALUATE THE CITY'S CAPACITY FOR
THE ALASKA HOUSING FINANCE CORPORATION'S LAST FRONTIER HOUSING
INITIATIVE GRANT PROGRAM FOR RURAL PROFESSIONAL HOUSING, AND
TO SOLICIT INTEREST FROM OTHER AGENCIES FOR THEIR PASSTHROUGH
ACCEPTANCE OF THE AFFORDABLE HOUSING UNIT FUNDING**

WHEREAS, the City qualifies for \$5 million in grant funding from the Alaska Housing Finance Corporation (AHFC) to construct at least nine new housing units;

WHEREAS, the \$5 million comes from two funding sources with separate objectives:

- \$3 million of the funding is for rural professional housing, requiring six new housing units;
- \$2 million is for affordable housing needs, requiring three new housing units;

WHEREAS, a 15 percent community match (\$750,000 if fully funded) is required, but the match may be in the form of land development or transfer/lease, direct financial contribution, and/or in-kind contributions;

WHEREAS, the City may pass the funding to another appropriate agency for construction and/or maintenance of the buildings and lease programs;

WHEREAS, the Rural Professional Housing Grant Program requires the funds be used to develop teacher, health professional, and public safety housing;

WHEREAS, the operational criteria for the affordable housing units could mirror any federal grant program, however the most common is the Low Income Tax Credit Program, the criteria for which is:

- At least 20 percent of the project's units are occupied by tenants with an income of 50 percent or less of area median income adjusted for family size (AMI).
- At least 40 percent of the units are occupied by tenants with an income of 60 percent or less of AMI.
- At least 40 percent of the units are occupied by tenants with income averaging no more than 60 percent of AMI, and no units are occupied by tenants with income greater than 80 percent of AMI;

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WHEREAS, September 1, 2025, is the deadline to use the expenditures; and

WHEREAS, following Council's authorization to pursue this funding, the city will:

- Identify available city land for professional housing;
- Release requests for bids to identify interest in operating/maintaining the affordable housing grant;
- Release a request for proposal to design and build the five star energy rated units for the Rural Professional Housing Grant Program;
- Review bid submissions for the affordable housing grant operators.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BETHEL that the Bethel City Council authorizes administration to evaluate the City's capacity to accept from AHFC \$3 million dollars to develop six professional housing units; and solicit interest from outside agencies to use the \$2 million available for the affordable housing development.

ENACTED THIS 13th DAY OF FEBRUARY 2024 BY A VOTE OF 6 IN FAVOR AND 0 OPPOSED.

ATTEST:



Lori Strickler, City Clerk



Mark Springer, Mayor