

# GRANT AMENDMENT #1

## Alaska Housing Finance Corporation

Grant ID Number: LFH-24-SAX-1	Funding Source(s): Located in Approved Budget by Line Item; Budget Funding Sources
Program: Last Frontier Housing Initiative	Project Service Area: Saxman
<b>GRANTEE (Name &amp; Address)</b>	<b>AHFC DEPARTMENT DATA</b>
City of Saxman 2841 S Tongass Hwy Ketchikan, AK 99901	Alaska Housing Finance Corporation 4300 Boniface Pkwy P.O. Box 101020 Anchorage, AK 99504 Anchorage, AK 99510
Effective Date of Agreement: April 15, 2021	AHFC Contact Person: Andy Petroni Phone: 907-330-8275 <a href="mailto:apetroni@ahfc.us">apetroni@ahfc.us</a>
Period of Performance: January 1, 2024 through December 31, 2025	Grants Administrator: Amy Sanchez Phone: 907-330-8260 <a href="mailto:asanchez@ahfc.us">asanchez@ahfc.us</a>
Amount of Grant to Date: \$4,500,000.00	

The Alaska Housing Finance Corporation (AHFC) and the **City of Saxman** (hereinafter referred to as the "Grantee") agree as set forth herein.

**Section I.** No change

**Section II.** The Grantee shall perform all of the work and comply with all of the terms required by this Agreement.

**Section III.** No change

**Section IV.** This agreement consist of this page, the attached Signatory/Notary page, Approved Budget by Line Item, Statement of Special Terms and Conditions and the following attachments:

<b>GRANTEE</b>	<b>ALASKA HOUSING FINANCE CORP.</b>
Authorized Signature and Date:	Authorized Signature and Date:
	Daniel Delfino, Director Planning and Program Development
	Authorized Signature and Date:
Frank Seludo Mayor, City of Saxman	Gregory Rochon, Director Administrative Services

## **APPROVED BUDGET BY LINE ITEM**

No change

### **Budget Funding Sources:**

No Change

### **Request for Budget Revisions:**

No Change

### **Audit Requirement:**

Figures reflected in the Total Project Cost column of the Budget, above, may include Federal and State Funds appropriated by the State Legislature or granted directly to the agency or in-kind funds provided by the Grantee. If Grantee expended **\$1,000,000** or more of Federal, or \$750,000 or more of State Financial Assistance in a fiscal year, Grantee shall be required to comply with the Federal and State Single Audit Act. Refer to Attachment B Article 5 Audit Report Requirement.

Federal and State award funds may be disbursed at different rates within the award budget. Awardees must contact AHFC at the end of their fiscal year to verify the exact split of Federal and State funds disbursed. The Awardee will need this information to comply with the Federal and State Single Audit Act.

## **STATEMENT OF SPECIAL TERMS AND CONDITIONS**

The following scope applies to projects developed using ERA2 funding ("Federal Rent Relief Program") in accordance with the requirements of Section 501(a) of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020), and Section 3201(a) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021), and any regulations, guidance or other program rules issued or hereinafter issued thereunder.

### **LEGAL DESCRIPTIONS OF PROPERTY**

### **PROJECT SET-ASIDES:**

Unit Type	Set-Aside Type	# of units	Income requirement	Fixed or Floating
ERA-2 Assisted	Federal Set Aside	13	50% or less of median income	Floating (entire project)
Non-Residential	Manager's Unit	1	None	Floating (entire project)

**Development Activity and Design:** The project will newly construct fourteen (14) rental units for very-low-income households in Saxman. The development will include fourteen (14) two-bedroom units, Residential square footage will approximately total 11,200 square feet.

1. Grantee will newly construct fourteen (14) rental housing units. Any additional units funded with ERA-2 funds will be subject to income or rent restrictions.
2. These units may be constructed by the Grantee or through an entity (or entities) procured by the Grantee.
3. The units will be owned and / or operated by the Grantee or through an entity (or entities) procured by the Grantee.

4. ERA2 assisted units are to be rented to very low-income households. (those with income at or below 50% of the area median income adjusted for household size).
5. Rent and income restrictions will be secured by a land use restriction agreement (LURA) for no less than twenty (20) years.
6. All ERA2 funds must be expended no later than September 30, 2025.
7. The Grantee has elected to align with and meet the requirements of the Low-Income Housing Tax Credit program.
8. Grantee may sub-grant this award to a development team.
9. Project Timeline (estimated):

4/12/2024:	Saxman Execute Grant Agreement
5/6/2024:	Approval of MOU by Borough Assembly
5/15/2024:	Approval of MOU by Saxman City Council
5/16/2024:	Issue RFP
6/14/2024:	Close RFP
6/24/2024:	Saxman to call special meeting to approve the contract for Contractor
7/1/2024:	Issue Notice to Proceed with contract
7/31/2025:	Final completion deadline
9/30/2025:	100% of grant funds expended
12/31/2025:	Grant closeout

**Development Activity and Design:** The project will newly construct thirteen (13) rental units for very-low-income households and one (1) unrestricted unit in Saxman. The development will include fourteen (14) two-bedroom units. Residential square footage will approximately total 11,200 square feet.

**Initial Rents and Subsequent Rent Increases:**

The initial rents charged are noted in the below table. Subsequent rent increases must be noticed to tenants at least 30 days before the renewal date of the tenant's lease and, unless otherwise approved by AHFC in writing.

Unit Type	Tenant Rent	Utility Allowance	Gross Rent
2 bedroom Very-Low Income Unit	\$1,071.00	\$271.00	\$1,342.00