



Municipality of Anchorage

P.O. Box 196650 • Anchorage, Alaska 99519-6650 • Telephone: (907) 343-4311 • www.muni.org/assembly

Anchorage Assembly Chair Constant

May 26, 2023

Marcia Fudge
Secretary Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410
Sent via email

Dear Secretary Fudge,

It was recently brought to our attention that the Municipality of Anchorage is missing out on considerable federal funding to address our growing homelessness issue due to the outdated HUD Continuum of Care funding formula. This issue was recently highlighted in a media story: <https://www.alaskasnewsresource.com/video/2023/05/16/anchorage-has-similar-number-homeless-houston-texas-gets-lot-less-money-assembly-says/>. The Anchorage Assembly, the legislative body of the Municipality of Anchorage, and Mayor Bronson recently joined together to unanimously pass a resolution asking for state and federal help on this issue. That resolution is attached.

Our ask of you is for your support, understanding, and technical assistance to combat the short and long-term impacts related to homelessness. Specifically, we ask that you work with the Alaska Delegation in Congress to repair a fundamental inequity in the funding formula system that has left the Municipality of Anchorage in a crisis. Our understanding, communicated to a community partner through Regional Administrator Margaret Salazar, is that HUD is aware of this issue and is currently looking into modernizing the formula. We ask that you support and expedite this process.

The Municipality of Anchorage has a long history of combatting and addressing the long-term issues related to homelessness, and while this is a state-wide issue, Anchorage is experiencing the most drastic impacts due to long-term homelessness issues and being a population hub for the state. To compound the problem, state budget cuts and the shifting of responsibilities to municipalities over recent years, have left the Municipality with fewer and fewer resources to combat this growing problem.

Currently, the Municipality of Anchorage receives minimum allocations of federal Continuum of Care funds¹ based on its overall population as opposed to its population of people actually

¹ U.S. Dept. of Housing & Urban Development FY 2022 Continuum of Care Competition Homeless Assistance Award Report for State of Alaska, available at: https://www.hud.gov/sites/dfiles/CPD/documents/CoC/2022/AK_Press_Report.pdf

experiencing homelessness (which is on par with much larger major cities in the lower 48) as demonstrated by the fact that, in 2022, Anchorage reported a Point in Time Count of 1,494 Overall Homeless which was roughly equivalent to Fort Worth, Texas's report of 1,665 and Baltimore, Maryland's 1,597, respectively; however in that same year Anchorage received just over \$4 million in Continuum of Care funds, where Fort Worth received nearly \$16 million and Baltimore, over \$26 million.

Of the 62 Continuums of Care awarded under the Special Notice of Funding Opportunity (NOFO) by HUD, which was released last year to address rural and unsheltered homelessness, Alaska received a single project award for the Balance of State (i.e. Alaska except Anchorage) totaling \$103,376, equivalent to 0.02% of the total funds awarded nationwide². Anchorage received zero dollars yet has continued to have high numbers of unsheltered homelessness.

The Municipality has made considerable investments in housing and homelessness in recent years through the newly enacted alcohol sales tax and through significant housing investments with Anchorage's CARES Act and ARPA funding. **Since taking on a more active role in the community's homelessness prevention response in 2017, the Assembly has appropriated over \$100 million to support housing programs, with \$30M going to mortgage and rental relief during the pandemic and over \$50M going to rehabilitate rental units and fund nonprofit partners to build new housing units.** Additionally, ongoing efforts to create an atmosphere conducive to development of affordable and attainable housing have resulted in multiple new tax incentives and comprehensive code changes.

Anchorage has demonstrated our commitment to addressing this issue and now we need our state and federal partners to step in with their share of the solution. We are grateful for your assistance on this critical issue for our community.

If you have any questions, please contact me or my staff at 907-343-4125.

Respectfully,

A handwritten signature in black ink that reads "Christopher Constant". The signature is fluid and cursive, with the first name "Christopher" and the last name "Constant" clearly legible.

Assembly Chair Christopher Constant

P.S. I would like to personally invite you to attend, either in person or via video conference, the Alaska Housing Summit: The State of Housing on August 21 in Anchorage at the BP Energy Center. The summit is hosted by the Alaska Coalition on Housing and Homelessness and the Anchorage Coalition to End Homelessness, the two HUD Continuums of Care for the state, and the Alaska congressional delegation is being invited for the keynote

² U.S. Dept. of Housing & Urban Development Special NOFO Award Announcement, available at: https://www.hud.gov/sites/dfiles/CPD/documents/AK_Press_Special.pdf

discussion. To accommodate your schedule and that of the delegation, there are two alternate dates – August 24th or 25th.

Along with the keynote discussion, housing advocates from all twelve Alaska Native Claims Settlement Act regions will present regional housing assessments (228 of the 574 federally recognized tribes in U.S. are in Alaska). There will be breakout sessions to delve into what is working in communities and highlight projects, as well as an opportunity for site visits.

If you need any further information about the event, or have any questions please reach out.

Enclosure: AR 2023-176, A resolution of the Anchorage Assembly and Mayor Bronson on HUD Continuum of Care Funds

CC Senator Dan Sullivan
 Senator Lisa Murkowski
 Representative Mary Peltola
 Governor Mike Dunleavy
 Mayor Dave Bronson
 Alaska Coalition on Housing and Homelessness
 Anchorage Coalition to End Homelessness

Municipal Clerk's Office

Approved

Date: May 9, 2023

Submitted by: Assembly Chair Constant and Vice-Chair Zaletel, Assembly Members Brawley, Bronga, Cross, Johnson, Martinez, Myers, Perez-Verdia, Rivera, Sulte, and Volland and Mayor Bronson

Prepared by: Assembly Counsel & Dept. of Law
For reading: May 9, 2023

**ANCHORAGE, ALASKA
AR No. 2023-176**

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REQUESTING SUPPORT OF STATE AND FEDERAL GOVERNMENT TO ASSIST IN ADDRESSING THE HOMELESSNESS CRISIS IN ANCHORAGE, BY ADVOCATING FOR CHANGES IN STATE AND FEDERAL LAW, REGULATION AND POLICY.

WHEREAS, the Municipality of Anchorage has a long history of combatting and addressing the long-term issues related to homelessness; and

WHEREAS, while this is a state-wide issue, Anchorage is experiencing the most drastic impacts due to long-term homelessness issues and being a population hub for the state; and

WHEREAS, in July 2019, the Municipality of Anchorage declared an emergency due to anticipated (and realized) state budget cuts that drastically reduced the community's ability to provide homelessness services; and

WHEREAS, in 2020, in the midst of the COVID-19 pandemic, the Municipality of Anchorage opened the largest pandemic emergency congregate indoor shelter in the country; and

WHEREAS, when the Municipality attempted to demobilize the mass congregate shelter and non-congregate shelters as COVID-19 transitioned from a pandemic to endemic response, a request was sent by Anchorage Coalition to End Homelessness to access U.S. Department of Housing and Urban Development (HUD) Technical Assistance and a team of professionals provided technical assistance from April 25, 2022, to September 25, 2022; and

WHEREAS, through CARES act and ARPA funding, Anchorage has invested in hundreds of housing units; and

WHEREAS, the Municipality of Anchorage has a strategic plan to solve homelessness called Anchored Home, which was adopted by the Anchorage Assembly in AR 2020-338, As Amended; and

WHEREAS, as the weather warms, the Municipality must wind down its emergency shelter operations, resulting in hundreds more Alaskans without shelter in the community; and

WHEREAS, the Municipality of Anchorage receives minimum allocations of federal Continuum of Care funds based on its overall population as opposed to its

1 population of people actually experiencing homelessness (which is on par with much
2 larger major cities in the lower 48) as demonstrated by the fact that, in 2022,
3 Anchorage reported a Point in Time Count of 1,494 Overall Homeless which was
4 roughly equivalent to Fort Worth, Texas's report of 1,665 and Baltimore, Maryland's
5 1,597, respectively;¹ however in that same year Anchorage received just over \$4
6 million in Continuum of Care funds,² where Fort Worth received nearly \$16 million³
7 and Baltimore, over \$26 million;⁴ and
8

9 **WHEREAS**, according to the Alaska Homeless Management Information System,
10 the actual number of people experiencing homelessness in Anchorage is estimated
11 to be much closer to 3,000 individuals;⁵ and
12

13 **WHEREAS**, of the 62 Continuums of Care awarded under the Special Notice of
14 Funding Opportunity (NOFO) by HUD, which was released last year to address rural
15 and unsheltered homelessness, Alaska received a single project award for the
16 Balance of State (i.e. Alaska except Anchorage) totaling \$103,376, equivalent to
17 0.02% of the total funds awarded nationwide.⁶ In these communities across the state
18 there are no emergency shelters, no vacancies of habitable structures, and the
19 environmental conditions are so harsh, living outdoors results in freezing to death.
20 Anchorage received zero dollars yet has continued to have high numbers of
21 unsheltered homelessness; and
22

23 **WHEREAS**, Anchorage voters approved a retail sales tax on alcohol that took effect
24 in 2021 to support homelessness services, among other purposes to which the tax
25 is dedicated in Anchorage Municipal Charter § 14.07(b), and those funds have been
26 drastically depleted, with no end in sight to the current crisis; and
27

28 **WHEREAS**, the Municipality of Anchorage must develop a more sustainable system
29 to actually implement solutions to the myriad of factors that contribute to
30 homelessness; now, therefore,
31

32 **THE ANCHORAGE ASSEMBLY RESOLVES:**

33

34 **Section 1.** To the Alaska Legislature and Governor, we need your support,
35 understanding, and technical assistance to combat the short and long-term impacts

¹ U.S. Dept. of Housing & Urban Development, Point in Time Count Database (2007-2022) available at:
<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.huduser.gov%2Fportal%2Fsites%2Fdefault%2Ffiles%2Fxls%2F2007-2022-PIT-Counts-by-CoC.xlsx&wdOrigin=BROWSELINK>

² U.S. Dept. of Housing & Urban Development FY 2022 Continuum of Care Competition Homeless
Assistance Award Report for State of Alaska, available at:
https://www.hud.gov/sites/dfiles/CPD/documents/CoC/2022/AK_Press_Report.pdf

³ U.S. Dept. of Housing & Urban Development FY 2022 Continuum of Care Competition Homeless
Assistance Award Report for State of Texas, available at:
https://www.hud.gov/sites/dfiles/CPD/documents/CoC/2022/TX_Press_Report.pdf

⁴ U.S. Dept. of Housing & Urban Development FY 2022 Continuum of Care Competition Homeless
Assistance Award Report for State of Maryland, available at:
https://www.hud.gov/sites/dfiles/CPD/documents/CoC/2022/MD_Press_Report.pdf

⁵ Anchorage Built for Zero, Populations Experiencing Homelessness Dashboard, available at:
https://public.tableau.com/app/profile/alaska.hmis/viz/AnchorageBuiltforZero_16521170720220/BuiltForZero?publish=yes

⁶ U.S. Dept. of Housing & Urban Development Special NOFO Award Announcement, available at:
https://www.hud.gov/sites/dfiles/CPD/documents/AK_Press_Special.pdf

related to homelessness. Specifically, we need your help expediting Medicaid and Home and Community-Based Waiver applications for individuals experiencing homelessness. In addition, the creation of a liaison between the State of Alaska and the Homelessness Prevention and Response System and service providers would assist in creating more efficiencies and coordination and collaboration between the two Continuum of Care systems in the State of Alaska.

Section 2. To the federal Congressional delegation, Senator Sullivan, Senator Murkowski, and Representative Peltola, we need your support, understanding, and assistance to combat the short and long-term impact relating to homelessness. Specifically, we need your help updating the HUD Continuum of Care funding formulas to prioritize the number of people experiencing homelessness, with consideration of the inflated development costs for communities that are challenged with no transportation system, no workforce housing, and an extremely short building season. The existing funding formula that prioritizes total population, poverty rates, and units of housing produced pre-1940 does not accurately reflect the realities confronting Anchorage. We also need your help clarifying that HUD's definition of homelessness includes consideration for individuals who share a housing arrangement with others due to a loss of housing or other economic hardship (doubled-up housing). This effort will ensure that a fair portion of HUD Continuum of Care funding is allocated.

Section 3. To United States Housing and Urban Development Secretary Marcia Fudge, we need your support, understanding, and technical assistance to combat the short and long-term impacts related to homelessness. Specifically, we ask that you work with the Alaska Delegation in Congress to repair a fundamental inequity in the funding formula system that has left the Municipality of Anchorage in a crisis.


Section 4. This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 9th day of May, 2023.

ATTEST:



Chair



Municipal Clerk