Healthy People
Sustainable Communities
Vibrant Cultures

Karluk Manor

Housing First Project
Overview
May 2010

Rural Alaska Community Action Program, Inc.

The Cost of Homelessness

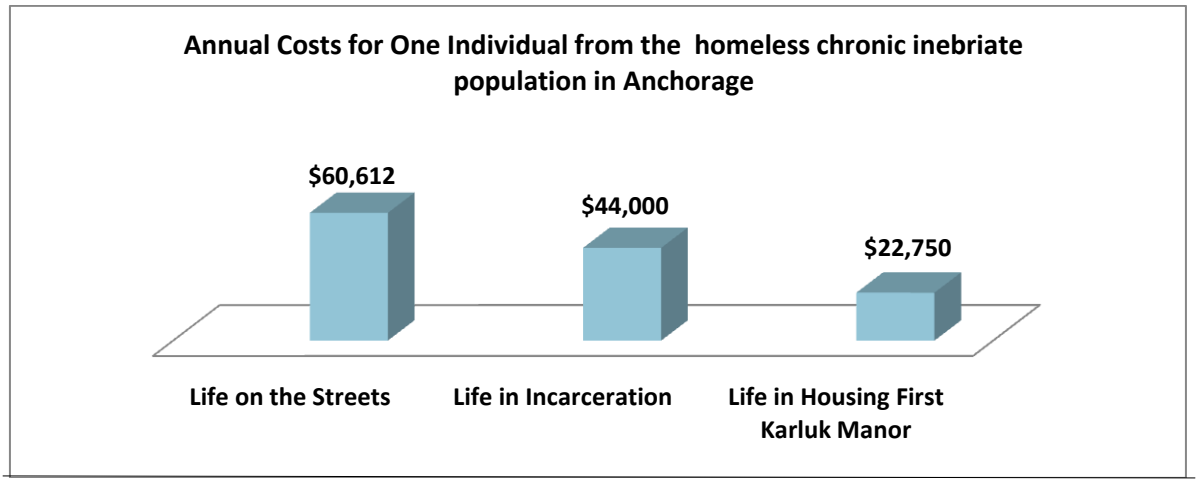
Life on the streets is a costly proposition. For the individual, homelessness exposes them to more violence, more time spent in harsh conditions, more communicable diseases, poorer nutrition and poorer overall health. For society, the economic impact of homelessness is enormous. Chronically homeless individuals use a disproportionate amount of emergency medical services, police and fire responses, Community Service Patrol pick ups and social services. It costs more than $60,000 per person annually to provide services and emergency responses to this population in Anchorage.

Services	Annual Cost/person
APD response calls and transportation	$1500
Community Service Patrol	$6336
Anchorage Fire Department Response	$4500
Emergency Room Visits	$17,571
Prosecution and temporary incarceration	$30,705
Total	**$60,612**

Housing as the Solution

Research shows that the longer a person is without a permanent home, the higher the financial cost to society. Most of Anchorage's chronically homeless population has a disability such as mental illness, post-traumatic stress disorder, or physical or developmental disabilities in addition to alcoholism. These conditions have made it challenging for most to maintain stable housing. A solution to the costs of the chronically homeless population in Anchorage is to provide housing that removes these individuals from the streets and ends the cycle through emergency services, incarceration and temporary shelters. Studies conducted on the Homeward Bound Program in Anchorage demonstrate that individuals provided with a clean and safe place to live along with an array of supportive services use fewer community services, commit fewer crimes and utilize more preventative, non-emergency care.

Based on this successful program, a body of credible research on best practices, and the growing need to address the homeless problem in Anchorage, the Rural Alaska Community Action Program proposes to develop Karluk Manor, a 48-unit Housing First project in downtown Anchorage. Housing First is a documented best practice whereby chronically homeless alcoholics are offered secured housing as a first step to developing skills for improved self-sufficiency and community reintegration. Not only do we anticipate similar successes for the individuals housed at Karluk Manor, we are able to provide both housing and supportive services at an annual cost of roughly $23,000 per individual versus the current cost to our community of $60,612.



Karluk Manor

Karluk Manor will include 48 efficiency-style units, each with 1 bathroom. The units are approximately 220sq ft. The first building is a two-story wood framed structure that includes a total of 10 units (2 on ground floor and 8 on the second floor). The units are not enclosed and open to the outside. The north side of the building has an enclosed portion that includes a main entrance/lobby area, an office, a laundry facility, and a storage room. The second building includes 38 units and is an elevated two-story structure with parking underneath.

Each furnished unit will be provided with microwave, small energy efficient refrigerator, and dining room furniture. Visual security systems will be installed in all common areas, parking and entries. Deferred maintenance on sprinkler and fire alarm systems is also projected. Common areas will be located in the first building in what is currently the main entrance/lobby of the motel for meetings and gatherings. Tenant enrichment activities will be provided by the Residential Services Specialist (RSS) in the common areas. Activities will include movie/game night, tenant meetings, support groups, arts and crafts, nutrition classes, and other social activities. The common area will include couches, a TV, and several PC stations.

Location – Why Here?

The Homelessness Leadership Team recommended a *Housing First* project of this size to Mayor Sullivan. RurAL CAP conducted a vigorous search and examined eight sites using the criteria below. Only the hotel property at 1164 East 5th Avenue met all eight criteria.

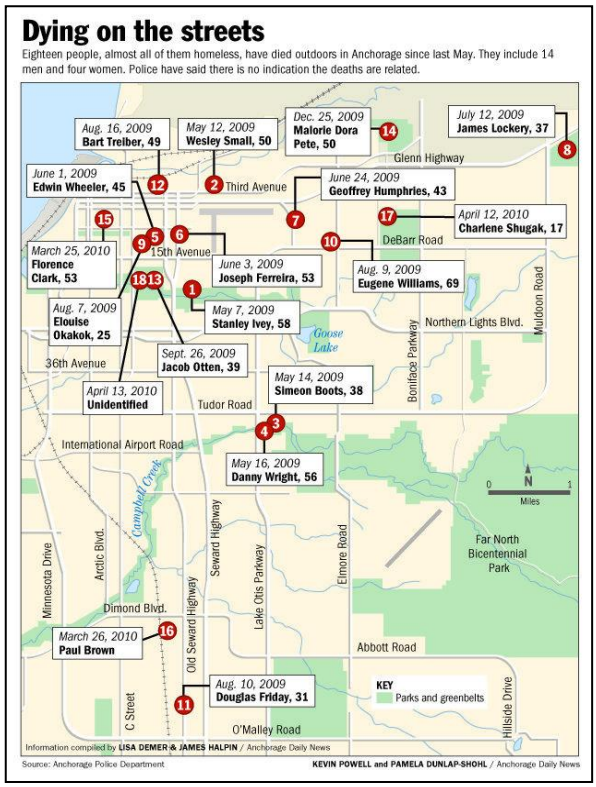
Primary Criteria

1. An existing structure with efficiency unit configuration for single room occupancy
2. Minimal rehab costs, i.e. single building entry to ensure resident and neighborhood safety, no severe damage, no access issues, existing sprinkler system
3. Outdoor space for resident use
4. Between 30 and 100 units to achieve economy of scale for service delivery and operations
5. Accessibility to bus routes, employment, and services for the target population
6. Located in a primarily non-residential area with good access and traffic control

7. Proximity to target population
8. Cost of less than $3 million

Who Will Live at Karluk Manor?

Many homeless people affected by chronic alcoholism have failed to succeed in conventional low-income housing, even in projects targeted specifically to the homeless. The chronic alcoholic homeless population targeted for residency at Karluk Manor has shown that providing service-enriched housing without the preconditions of abstinence from alcohol and/or requiring participation in mental health treatment leads to long-term housing success. RurAL CAP believes that the development of successful relationships between residents and social service providers (both within and outside of the residential setting) provides a key element in retaining housing.



Anchorage's Chronically Homeless Alcoholic Population

- Estimated 399 chronically homeless alcoholics individuals in 2009 (38% increase since 2005)
- High consumers of emergency services
- Suffer chemical dependencies that significantly impact their health, their housing and employment
- Suffer from serious physical health issues and often have mental health issues as well as traumatic brain injuries
- Create serious quality of life impacts on Anchorage residents
- Deaths among this population have become highly publicized (19 deaths between May 2009 and April 2010.)

What Services Are Provided?

RurAL CAP will employ Residential Services Specialists (RSS) who will provide specialized services on-site to residents of Karluk Manor. This will increase tenant success as residents will have support to address problems that may have lead to evictions or past episodes of homelessness. Residential Support Services positively affect the preservation of newly developed housing communities serving low-income and special needs tenants and play a critical role in the success of these communities, particularly during the initial years when the new community is being established. RurAL CAP encourages participation from residents on a frequent and consistent basis. The Residential Services Specialist will:

- Coordinate between social service providers and residents.
- Facilitate the establishment of a healthy tenant community at Karluk Manor. The earlier this process takes place with service providers and on-site staff, the greater impact it will have on the well-being of the community and the surrounding neighborhood.

- Develop a common purpose (i.e., the preservation of a quality community) among all residents. Shared goals are essential to community success.
- Foster strong buy-in by all residents to agreed-upon community standards and reinforces the consequences of continued violation of these standards (i.e. eviction)
- Provide specialized services on-site to residents of Karluk Manor.
- Coordinate the four hours per month of service each resident is expected to contribute to the project

The residential services coordination will include the following:

- Assistance in accessing services (medical, mental health, financial, legal, employment)
- Life skills training
- Crisis intervention and safety planning
- Community engagement activities
- Chore and housekeeping services twice a month
- Ensuring that those who qualify for low income bus passes have access
- Providing meals delivered onsite (2 meals a day Monday-Friday)

Safety and Security

The Karluk Manor project will include elements designed to provide the maximum protection for all residents, staff, and visitors from health and safety related concerns. Safety measures include the following:

- Smoke detectors, CO detectors and fire extinguishers will be installed in every unit.
- Both buildings are equipped with sprinkler systems and fire alarms.
- This is a non-smoking property, with smoking allowed only in an outside designated area.
- The security camera system allows for extensive interior and exterior monitoring of the buildings and all camera views will be observed by the on-site staff at all times
- The Karluk Manor office will be staffed 24 hours a day, seven days a week. The offices for the Homeward Bound Division Manager and Housing Supervisor will be located at Karluk Manor. Support staff can be reached at Homeward Bound around the clock, 7 days a week.
- Random wellness checks will be performed. The RSS will regularly check in with tenants to ensure the safety and security of the residents, the staff and the building.
- Regularly scheduled resident meetings will be held with project staff and tenants with to foster a sense of community and to safety topics.
- Emergency contact numbers will be posted in each unit. In the event of an emergency, tenants can call the front desk for assistance.
- Tenant residences will be secured from outside intruders by key cards issued to each resident to prevent unauthorized access.
- All visitors will be monitored by signing into and out of the building and residents will be required to greet visitors and have them sign in. No open access to the building will be allowed. Tenants will be required to sign agreements accepting the visitor policy and house rules upon signing a lease and moving in to the residence. Strict adherence to these policies will be required. If tenants violate the policies, interventions will be implemented to assist with behavior changes prior to eviction.

The Residential Services Support staff provide a consistent presence so that residents may discuss their successes and concerns regarding independent living. The sense of community created by the work of the RSS also contributes to better relations *between* tenants, thereby reducing the likelihood of conflicts between residents.

Requirements of Tenants

- Must pay rent based on sliding fee scale
- Must adhere to strict behavioral guidelines for maximum safety
- May not panhandle or loiter on the premises or in surrounding areas
- Expected to contribute four hours a month to the project
- Must follow visitor policies and all guests must sign in and out of the building
- No smoking in rooms
- No drinking in common areas or outside of one's apartment

RurAL CAP Experience

RurAL CAP has owned and managed rental properties occupied by special needs tenants for nearly 10 years. RurAL CAP's approach to property management emphasizes personal responsibility while assisting tenants in obtaining supportive services from third-party providers when needed. Tenants are involved in improving and maintaining the property, in reinforcing security, and in creating a sense of community. Close attention is paid to property management and building maintenance. . Combined with below-market rental costs, these practices keep the units occupied. . This approach has been successful in maintaining a low vacancy rate of 5% throughout the program's history and in maintaining the condition and value of our properties. RurAL CAP staff intervene in disruptive tenant behavior, thereby helping tenants retain their housing and not return to a cycle of homelessness.

RurAL CAP's 400 North Lane Project

RurAL CAP's 100 Davis Street Project

Budget

Facility	
Acquisition	$1,100,000
Rehabilitation	$ 887,675
Total	**$ 1,987675**

Annual Operations	
Income	
Grant Income	$506,800
Rental Income	$350,700
Less Vacancy/Collection Loss	$ (35,070)
Effective Gross Operating Inc	**$822,430**
Expenses	
Total Expenses	$783,023
Replacement Reserves	$ 19,407
Net Operating Income	**$ 0**

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