Municipal Clerk's Office
Approved

Date: July 26, 2022

**Immediate Reconsideration Failed** 

Date: July 26, 2022

Submitted by: Assembly Members Perez-Verdia,

Rivera, and Volland

Reviewed by: Assembly Counsel For reading: July 12, 2022

### ANCHORAGE, ALASKA AR No. 2022-222

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY APPROPRIATING WHEN TENDERED AN AMOUNT NOT TO EXCEED THREE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$3,400,000) OF THE AMERICAN RESCUE PLAN ACT OF 2021 LOCAL FISCAL RECOVERY FUNDS AS A DIRECT GRANT TO FIRST PRESBYTERIAN ANCHORAGE, LLC FOR PURCHASE OF THE GUEST HOUSE.

WHEREAS, the United States Congress passed and President Biden signed the American Rescue Plan Act of 2021, on March 11, 2021; and

**WHEREAS**, the American Rescue Plan Act of 2021, a \$1.9 trillion relief bill, established the Coronavirus State and Local Fiscal Recovery Funds to provide \$350 billion in emergency funding for eligible local governments; and

**WHEREAS**, the Coronavirus Local Fiscal Recovery Fund (Recovery Fund) is intended to provide to state, local, and Tribal governments support in their response to and economic recovery from the COVID-19 public health emergency; and

**WHEREAS**, a workgroup made up of Assembly members, the Mayoral administration, and community partners was formed to develop a plan to exit the Mass Care Facility at Sullivan Arena and launch an integrated client and community centered approach to addressing homelessness; and

**WHEREAS**, on November 1, 2021, the Anchorage Assembly approved AR 2021-350, As Amended, which identified an exit strategy to end mass care that included the need to make additional workforce housing units available; and

WHEREAS, First Presbyterian Anchorage, LLC is under contract to purchase the Guest House which will provide 110 units of workforce housing and 20 units of permanent supportive housing; and

**WHEREAS**, the permanent supportive housing units set aside at the Guest House will leverage the Assembly's ongoing investments in the Home for Good program; and

**WHEREAS**, the workforce housing units will be reserved for those individuals that make less than 30% of the area median income or below; and

**WHEREAS**, the Department of Housing and Urban Development (HUD) has funding available to help pay for operational costs (HOME-ARPA, AHFC emergency housing vouchers, CDBG-CV) that will further leverage this funding; now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

<u>Section 1.</u> That an amount not to exceed Three Million Four Hundred Thousand Dollars (\$3,400,000) of American Rescue Plan Act of 2021 (ARPA) funds is hereby appropriated, when tendered, to the Federal Direct Grants Fund (241900) and as a direct grant to First Presbyterian Anchorage, LLC to cover the costs for purchasing the Guest House that will provide an additional 110 units of workforce housing and 20 units of permanent supportive housing.

<u>Section 2.</u> This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 26th day of July, 2022.

Chair

ATTEST:

Barbara a. Jones

**Municipal Clerk** 

### **MUNICIPALITY OF ANCHORAGE**



#### ASSEMBLY MEMORANDUM

No. AM 386-2022

Meeting Date: July 12, 2022

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From: Subject: **Assembly Members Perez-Verdia and Rivera** 

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY APPROPRIATING WHEN TENDERED AN AMOUNT NOT TO EXCEED THREE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$3,400,000) AS A DIRECT GRANT FROM THE AMERICAN RESCUE PLAN ACT OF 2021 LOCAL FISCAL RECOVERY FUNDS TO FIRST PRESBYTERIAN ANCHORAGE.

LLC FOR PURCHASE OF THE GUEST HOUSE.

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The Guest House will convert 130 hotel units to housing for those who are employed, workforce-ready, and/or need permanent supportive housing. This is part of the facilitated plan's target for adding 300 housing units for these populations of people experiencing homelessness. The facilitated plan identified funding sources to implement the various projects included in the plan. Specifically, the facilitated plan identified \$3.4M from HUD funds known as HOME-ARP, that are administered by AHD, to help pay for the Guest House acquisition. The remainder of the purchase price comes from philanthropy and a prior MOA investment.

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AHD was to begin the process to have those funds approved for use by HUD last February. AHD did not begin the process until a few weeks ago and now says the soonest it can be through HUD is November. Further AHD says the maximum funds would be only \$3.2M instead of \$3.4M. Both the timing and the amount jeopardize completing the Guest House purchase which is set to close at the end of August.

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Also, the Guest House is now transitionally housing between 130-150 people who have left the pandemic mass care response facilities. The funding for that transitional housing ends at the end of August. The plan has been to convert the current Guest House residents to housing leases post-closing and the funds for that can only be used for housing leases.

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Without this funding, the Guest House purchase may be lost. And, even if the owner agreed to a closing extension, the residents currently residing there would not be able to stay because there are no funds for that. This puts 130-150 more people at risk of joining the already several hundreds of people currently without housing or shelter.

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The Department of Treasury issued a final rule that became effective April 1, 2022 to provide greater detail on allowable uses of this funding for local communities received from the American Rescue Plan Act of 2021. They further released fact sheets on how state, local, and Tribal governments are using these funds to keep families in their homes and making more affordable housing available in their

find this following 1 communities. You can fact sheet at the link: 2 https://home.treasury.gov/system/files/136/SLFRF-Housing-Investments-3 Factsheet.pdf 4 5 I request your support for the resolution. 6 7 Prepared by: **Assembly Counsel** 8 Respectfully submitted: Kameron Perez-Verdia, Assembly Member 9 District 3, West Anchorage 10 11 Felix Rivera, Assembly Member 12 District 4, Midtown Anchorage 13





No. AIM 135-2022

Meeting Date: July 26, 2022

From: **Assembly Member Volland** 2 3 Subject: Homelessness Leadership Council letter of support for the 4 passage of AR 2022-221 and 2022-222. 5 6 Attached is a letter of support for AR 2022-221 and AR 2022-222 from the Anchorage Homelessness Leadership Council (HLC) for your information and review. The 7 8 business and community leader members of the HLC support the two resolutions designed to implement multiple pillars of the Anchored Home plan. 9 10 11 Prepared by: Assembly Counsel's Office Respectfully submitted: Daniel Volland, Assembly Member 12 District 1, Downtown/North Anchorage 13

Dear Anchorage Assembly Members and Mayor Bronson,

The Anchorage Homelessness Leadership Council (HLC) is comprised of business and community leader members who guide and support the implementation of Anchored Home, Anchorage's community plan to make homelessness rare, brief, and one-time. We are deeply committed to addressing homelessness through housing and to the provision of shelter and services that safely care for people experiencing homelessness and guide them to housing stability. At the core of the HLC's role and responsibilities is to mobilize and align resources; therefore, we urge support for AR 2022-222 and AR 2022-221.

We support the passage of **AR 2022-222** to appropriate \$3,400,000 to First Presbyterian Anchorage, LLC, a 501(c)(3) entity to purchase the Guest House, a 130-unit hotel for conversion to housing units for low-income and extremely low-income Anchorage residents. The hotel is currently in use as transitional housing for 132 people exiting mass care shelter and will be converted, upon sale, to workforce and supportive housing units. Most of the current residents will lease their units after the sale. This acquisition is part of the plan approved by the Assembly in AR 2021-350 providing for an exit strategy to end mass care and implement an integrated client and community centered approach to addressing homelessness. That plan calls for 300 new workforce and supportive housing units. This property acquisition will help achieve AR 2021-350's goal of bringing online more affordable housing units at this time when Anchorage has a critical dearth of available and affordable housing units. Additionally, passage of AR 2022-222 will assist in ensuring that the current transitionally housed residents do not lose their housing and provide an opportunity to gain a foothold in stable housing through housing leases.

The implementation of AR 2021-350 was envisioned as a public-private partnership. This particular property, as well as the Sockeye Inn property acquired earlier to become the complex care facility, have indeed been public-private partnerships. Private funders for these properties include Weidner Apartment Homes, Providence Alaska, Premera, Doyon, Calista, Chugach Alaska, Alaska Mental Health Trust, and the Rasmuson Foundation. As part of that collaborative funding model, the Administration committed during the facilitated process to provide \$3,400,000 to the capital stack for the Guest House acquisition. However, the funding source the Administration identified cannot be processed in time to meet scheduled closing date in late August. If that deadline is not met, the people currently transitionally housed at the Guest House will lose their housing, and the opportunity to purchase the property may be lost. This resolution authorizes a different funding source to ensure that the purchase can be completed on time. We strongly urge that AR2022-222 be passed and that the Administration promptly transfers the funds to ensure that the property transaction can close as scheduled.

We also support the passage of **AR 2022-221** to appropriate funds to swiftly address the acute needs of the startling and heartbreakingly high numbers of unsheltered people following the closure of the Sullivan Arena and most of the non-congregate shelter locations. The funding to establish and implement an emergency cold weather shelter plan will get the community in position to provide safe shelter as we edge towards that 45-degree temperature trigger for emergency shelter. Further, the ability to connect with people experiencing homelessness to help them on the path to housing is far more difficult now that the Sullivan and non-congregate shelters are closed. Outreach and transportation funding is urgently needed to establish relationships with as many people as possible to make sure they are safely sheltered, if not housed, before the winter. Finally, the funding for rental units' rehabilitation will further increase the inventory of available units to move those experiencing homelessness to housing as soon as possible. We strongly urge that AR 2022-221 be passed and the funds deployed as quickly as possible to address the serious conditions at the various camp sites throughout Anchorage.

Thank you for your consideration.

#### Respectfully,

Aaron Schutt President & CEO Doyon, Limited Bill Popp President & CEO AEDC Carol Gore President & CEO Cook Inlet Housing Authority Diane Kaplan President & CEO Rasmuson Foundation

Erec Isaacson President Greg Cerbana VP, Gov't Affairs Weidner Apartment Homes Greg Deal Regional Bank President Rev. Matt Schultz

Pastor

ConocoPhillips

Veidier Apartment Homes

Wells Fargo

Anchorage First Presbyterian Church

Preston Simmons Sophie Minich Steve Williams CEO President & CEO CEO

Providence Health& Services CIRI

Alaska Mental Health Trust Authority





No. AIM 136-2022

Meeting Date: July 26, 2022

From: **Assembly Member Volland** 2 3 Subject: Homelessness Leadership Council letter of support for the 4 passage of AR 2022-221 and 2022-222. 5 6 Attached is a letter of support for AR 2022-221 and AR 2022-222 from the Anchorage Homelessness Leadership Council (HLC) for your information and review. The 7 8 business and community leader members of the HLC support the two resolutions designed to implement multiple pillars of the Anchored Home plan. 9 10 11 Prepared by: Assembly Counsel's Office Respectfully submitted: Daniel Volland, Assembly Member 12 District 1, Downtown/North Anchorage 13

## Housing is the solution to homelessness.



## Approx. 1100 identified people in shelter and unsheltered in need of housing.\*

Unsheltered individuals – 350+

Established Shelter capacity 294

- Brother Francis (76) (waitlist) (40 additional capacity with emergency shelter investment)
- Complex Care (83) (referral only with waitlist)
- Downtown Hope Center (70)
- Gospel Rescue Mission (65)

Mass care capacity 232

- Aviator (ends 9/30/2022) (232)

Transitional Housing units and programs capacity 182

- Guest House (132)
- Henry House (50)

## Current Identified Housing Opportunities (340-480 people)#

130 units Guest House – serves approximately 130-150 people

- Extremely Low-Income Housing (30% area median income and lower)
- Permanent Supportive Housing

60 units through Landlord Housing Partnership – serves approx. 90 people

- Independent housing of various configurations

120 units unidentified location – serves 120-240 people

- Extremely Low-Income Housing (30% area median income and lower)
- Permanent Supportive Housing

# → Continued need for housing after these investments 578 – 718 people\*

\*does not include ongoing inflow into the system # depending on household arrangements







No. AIM 137-2022

Meeting Date: July 26, 2022

From: **Assembly Member Volland** 2 **Downtown Community Council and Fairview Community Council** 3 Subject: 4 meeting concerning the prospective sale of the Guest House hotel 5 6 Attached is a letter from the councils regarding the prospective sale of the Guest House hotel following a recent meeting with representatives of First Presbyterian 7 Anchorage, LLC., the Anchorage Coalition to End Homelessness, and the Rasmuson 8 Foundation for your information and review. 9 10 11 Prepared by: Assembly Counsel's Office Respectfully submitted: Daniel Volland, Assembly Member 12 District 1, Downtown/North Anchorage 13



July 16, 2022

Assemblyman Constant and Volland:

The Downtown and Fairview Community Councils met recently with representatives of the First Presbyterian Anchorage, the Anchorage Coalition to End Homelessness, and the Rasmuson Foundation concerning the prospective sale of the Guest House hotel. We understand it is to be converted into housing units for low and extremely low income residents and some residents who need supportive services.

We appreciate the outreach by the prospective purchasers. The meeting was informative and resulted in a robust conversation between the project representatives and the participating community members. It was very productive because of the level of information provided and the open, honest exchange of views. This was a nice contrast to other recent community council meetings in other areas of town on other projects concerning moving people from homelessness. Those other meetings also concerned projects from the same facilitated plan between the Assembly and the Mayor to exit the mass care services stood up in the pandemic and to launch an integrated client and community centered approach to addressing homelessness.

We understand that the initial residents will be those who have recently left the congregate or non-congregate shelters stood up to serve people during the pandemic. We also understand that the project will provide workforce housing and supportive housing. We are working with the prospective property purchaser and other community partners to clarify our mutual expectations regarding the importance of maintaining ongoing neighbor relations, interactions with the community councils, maintaining neighborhood safety and stability, and staying in close contact to quickly address any issues that may arise.

We are encouraged to see more housing units in the urban core and to see stakeholders working together in a collaborative fashion to address an important community need of more affordable housing. We are also encouraged to see stakeholders working together as new housing projects come online to foster good neighbor relationships for the shared goals of connected and engaged neighbors for a strong and well-maintained neighborhood in an equitable city where residents can access affordable housing.

Respectfully,

Allen Kemplen, President Fairview Community Council ). Vufam de Silvia Villamides, President

Downtown Community Council