



Emergency Shelter Task Force Preliminary Recommendations **September 16, 2022 /September 19, 2022 Revisions (*italicized*)**

RECOMMENDATIONS

The Emergency Shelter Task Force (Task Force) convened at the request of the Anchorage Assembly pursuant to AR 2022-252 to locate possible options for winter emergency sheltering (October – April) and to respond to the imminent closure of Centennial Campground scheduled for September 30, 2022. Due to the urgency for immediate decisions and action, the Task Force agreed to issue preliminary recommendations that could be implemented by September 30, 2022.¹

As has been the case in prior years, there are no immediately available easy solutions. The locations that are most suitable for emergency shelter and immediately available are MOA owned facilities and all present some level of community impact and/or public protest. However, it is the recommendation of the Task Force that the locations with immediate availability that pose the least community impact are the Golden Lion and the Dempsey Ice Arena. There is also the potential for existing shelter providers (Covenant House, Beans Café, Brother Francis) to increase existing capacity if funding is quickly made available. The Task Force recommends that these recommended options be exercised as quickly as possible and simultaneously and that the MOA work expeditiously to provide funding to support expanded capacity by existing shelter operators with proven positive performance.

There are additional commercial properties, some hotels and a non-profit location that have the potential to be turned on for emergency shelter in approximately 90 days and to add to or replace the emergency shelter capacity at the Dempsey Ice Arena depending on utilization and need. These locations all need additional investigation and owner discussions that make them not feasible for immediate use.

BACKGROUND

The Task Force was convened on August 22, 2002 and includes approximately 30 individuals representing a broad range of subject matter expertise and practical experience.

¹ In addition to this report, the Task Force Charter, the recordings of its meetings and working documents can be found [here](http://aceh.org/task-force): aceh.org/task-force

The Task Force established consensus based minimum requirements for emergency shelters, reviewed and validated required capacity assumptions, evaluated an extensive list of potential shelter locations, established conceptual operating cost estimates, and consulted with members of the public including community councils, persons with lived experience and those currently unhoused at Centennial Park.

The Task Force agreed that the minimum requirements for emergency shelters would include 24/7 access, meals, onsite shower facilities (permanent or portable) and space onsite for a warming tent. The maximum capacity is limited to 150 per Title 16; however, this limit can be exceeded by either Assembly approval or declaration of a civil emergency². *The emergency shelters should be low barrier sites.* The Task Force also agreed that the use of HMIS should be mandatory for all emergency shelter locations to allow for tracking individuals and connect them to needed services and future housing. *The Task Force recommends that the location of shelters be dispersed around town to the extent possible to not further concentrate the shelter operations in the downtown area.*

The Task Force estimated the capacity needs based on reports of the updates on census at Centennial Campground and Street Outreach teams' best estimates as there has not been complete or consistent HMIS data for unsheltered individuals. Using that information, it is estimated approximately 350 persons today with the potential for increases as the Aviator mass care operations are phased out over the next several months, the end of rental assistance for some households, system inflow and higher utilization in the coldest parts of winter. In addition, prior experience indicates that there will be periods of reduced needs once PFD payments are received until those funds are exhausted by individuals. The projected initial utilization is approximately 70-75% or 245-263 individuals.

To ensure that people with lived experience and those currently experiencing homelessness were able to weigh in on potential emergency shelter options, a survey was conducted through street outreach and outreach to those currently in shelter or permanent supportive housing programs. *Feedback from individuals with lived experience highlighted the primary two services needed in addition to shelter were access to transportation and mental health services.*

The sites evaluated included those that were reviewed as part of the facilitated process and additional locations that were identified by the Task Force members. Locations included MOA owned facilities, commercial properties, hotels, and vacant land. The site evaluations were performed by persons knowledgeable in the real estate market and in shelter operations. The list of potential sites was first screened to determine availability and suitability for minimum shelter requirements. The short list of locations that remained after the screening test was then further investigated to validate feasibility.

² Title 16. D. Emergency shelter locations activated under this section shall be for no more than 150 clients in a single location without assembly approval. Emergency shelter locations activated by the mayor under a declaration of civil emergency and extended by the assembly may exceed the 150 client capacity and shall be allowed to remain operational at the activated capacity at the time of the termination of the civil emergency for up to one year following termination of the declaration of civil emergency.

Information investigated included site owners' willingness to support emergency shelter operations, physical condition of the property for human habitation, accessibility to transportation and services and proximity to existing shelter locations and sensitive community locations such as schools. As has been found in prior years, there are no immediately available emergency shelter locations without incurring some level of community impact and/or public protest.

FACILITIES / LOCATIONS

The locations that met all the above criteria were then grouped into two tiers:

- Tier 1 – Locations that can reasonably be placed in operation immediately (target September 30) and remain in operation for up to 90 days. Realistically Tier 1 locations are those that are owned by the MOA and those that are owned by existing shelter operators with the potential for immediate expansion subject to funding. The 90-day time period provides for the operator to have assurance for a minimum term of operations.
- Tier 2 – Locations that have the potential to be placed in operation in approximately 90 days including those that need additional investigation to validate owner interest and property suitability. Tier 2 locations include primarily commercial properties and hotels (for housing conversions) where negotiations with owners are necessary and where physical site reviews need to be conducted to confirm suitability and safety. As potential Tier 2 locations are brought online the Tier 1 locations could be phased out to reduce community impacts depending on capacity needs and utilization.

Tier 1 Locations (in no particular order)

- Golden Lion: This location has 85 units of non-congregate capacity. The units are already furnished, and the site could be turned on immediately with no impact to current operations or users.
- Dempsey or Boeke Ice Arenas: Dempsey is the preferred location due to Ben Boeke's downtown location and *concerns about concentration of homelessness services downtown*. Both have similar capacity (240-260) and costs associated with operations. *Having two separate rinks provides spacing for subpopulations within the facility such as men in one rink and special populations – women, couples, LGBTQIA+, disabilities – in the other*. The Eagle River Mac Center was discussed but not included as a recommended Tier 1 location due to its distance from the homeless population.
- Sullivan Arena: *This location is adequately sized, however in comparison to the other Tier 1 locations there will be increased operational expense because of facility layout challenges, less ability to control offsite impacts with proximity to the Chester Creek Trail, and uncertainty if the facility is under active repairs from the 2018 earthquake. Having two levels allows for separation of subpopulations within the facility such as men on the arena floor and special*

populations – women, couples, LGBTQIA+, disabilities – on the mezzanine. Operational expenses would depend on the total census and whether subpopulations can be accommodated in less than the full facility – i.e. only the arena floor or mezzanine.

- Dena'ina or Egan Centers: These locations have adequate size however are less desirable due to their downtown location and the lack of shower facilities. If, however, these sites do warrant further consideration it is possible to use trailer mounted showers indoors and a company in Fairbanks has been identified that has such units immediately available.
- Spenard and Fairview Recreation Centers: These locations meet the primary Tier 1 screening criteria but *Removed from consideration and not recommended because the Mayor indicated removal from the Administration's plan which means unlikely to be implemented even if recommended.*
- Existing program capacity expansion: Covenant House, *Brother Francis Shelter* and Beans Café have indicated that they have the potential to turn on additional capacity very quickly if funding is made available. These sites are not adequate for the total capacity needed but would significantly augment the overall emergency shelter system. There may be additional existing shelter providers who could also provide incremental capacity with available funding. *Brother Francis additional capacity has already been funded by a prior appropriation.*

Tier 2 Locations (in no particular order)

- Arctic Recreation Center – *Location is no longer available.* The facility appears to be very suitable for use and initial discussions with the owner indicate interest; however, a 1-year lease is expected to be required.
- *Alex Hotel – Master lease of 50 rooms from October to April is available. The Task Force does not yet have information on the room rate which will be a substantial consideration for cost. Operating pro forma for a leased non-congregate facility would apply once the room rate is established and staffing could be reduced depending on the configuration of the rooms and the number of meals required based on the census.*
- 550 Bragaw (former Alaska Native Charter School) - The owners have indicated interest in pursuing an agreement. The recent engineering assessment of this site by The Boutet Company needs to be reviewed and revalidated to confirm suitability and possible capacity for emergency shelter use.
- 5151 Fairbanks (former GCI call center)– The evaluation of this site for suitability, capacity and owner interest is awaiting more information.
- Salvation Army Gym – Awaiting confirmation from the Salvation Army that this is a possible use, and if so the expected capacity.

- *Former DMV Benson Boulevard - Although the owner would prefer to sell the property conversations are ongoing about potential short term use.*
- Hotels master leases and conversions for housing utilization – Several hotels have been identified and are currently being investigated to confirm owner interest and potential lease terms.
- Portable buildings – No feasible locations have yet been identified that are suitable for this option. This option is not considered highly suitable by the Task Force due to operational concerns including the lack of restroom and shower facilities inside the units. While the use of outdoor, portable facilities may be possible this is not a preferred operation. In addition, this option will be quite costly due to nature of staffing and security needs for isolated individual units.

OPERATIONAL COSTS

Based on the cost comparison, housing options in a MOA owned building or a purchased hotel conversion are the most cost-effective alternatives, particularly because they leverage federal Emergency Rental Assistance funds for rents.³ Second is a leased hotel for housing or non-congregate shelter and congregate shelter in a MOA site and leased site congregate shelter the most expensive options.

It is the Emergency Shelter Task Force’s recommendation that four options be exercised as quickly as possible and simultaneously. These are a combination of private providers and locations and activation of MOA locations. Below is a cost summary of the recommended options for the remainder of 2022 and how they each contribute to providing adequate capacity for 350 unsheltered individuals. This is based on an operational cost analysis conducted involving shelter, housing, and support services providers. The analysis included a daily, monthly, and annual cost summary comparison based on assumptions depending on the type of operation.

Facility Type - Location	Capacity	Additional 2022 Cost (Oct-Dec)	Population
Non-congregate – Golden Lion	85-170 – depends on roommates	\$371,000 ⁴	Single Adults
Congregate – Dempsey	240-260	\$1.372M	Single Adults
Congregate – Brother Francis Shelter	20 ⁵	Already funded	Single Adults
Congregate - Covenant House	25	\$200,000 ⁶	Transition Age Youth

³ The MOA currently has approximately \$8M in unappropriated Emergency Rental Assistance 2 funds.

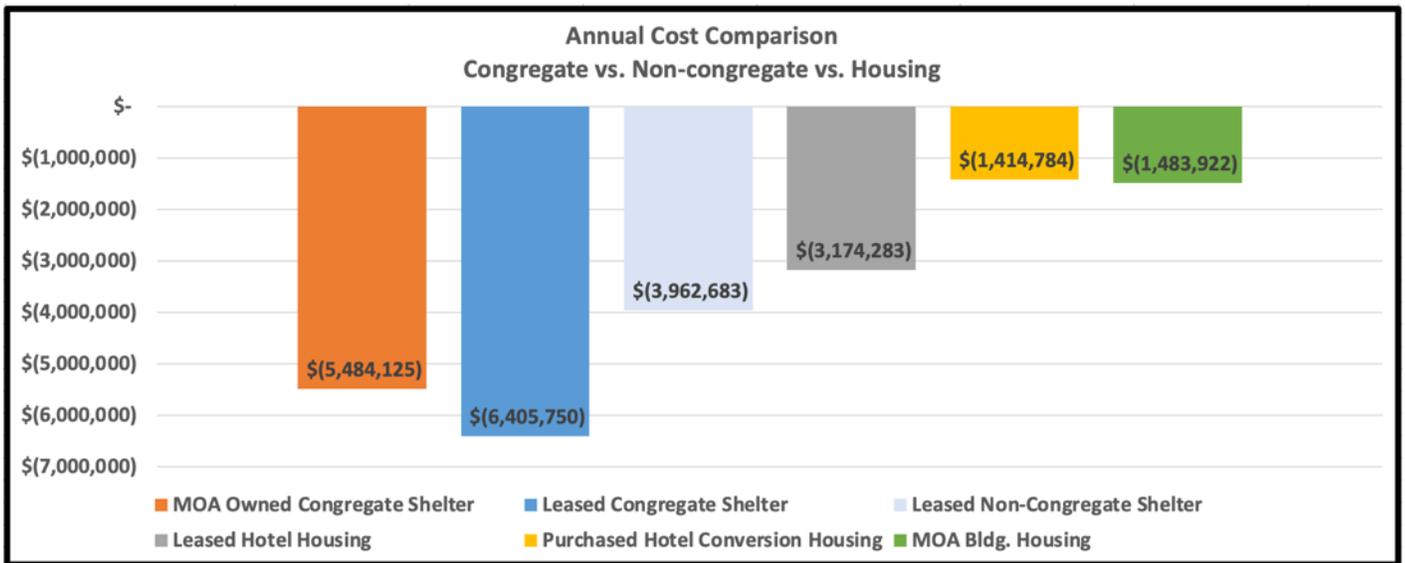
⁴ Can reduce this amount by \$167,500 through federal emergency rental relief funds.

⁵ This is the second increase in census for Brother Francis Shelter under the appropriation in AR 2022-221(S). The total capacity at BFS will be 120 beginning October 1st for a total increase of 45 individuals.

⁶ Attachment A is the Covenant House proposal.

			(18-24 year old)
Semi-congregate - Beans Café	40	\$306,000 ⁷	Single Adults
TOTALS	330 shelter capacity + 85-136 housing capacity ⁸ = 415-466	\$2.250M	

The cost analysis shows that the most cost effective option is housing in a MOA owned building or a purchased hotel conversion, particularly because they leverage federal Emergency Rental Assistance funds for rents.⁹ The second most cost effective option is a leased hotel for housing or non-congregate shelter. Congregate shelter in a MOA site and leased site congregate shelters are the most expensive options. The assumptions for this analysis are on the following page.



Per Person Cash Flow	MOA Owned Congregate Shelter	Leased Congregate Shelter	Leased Non-Congregate Shelter	Leased Hotel Housing	Purchased Hotel Conversion Housing	MOA Bldg. Housing
Total Income	\$ -	\$ -	\$ -	\$ 14	\$ 14	\$ 12
Total Expense	\$ 100	\$ 117	\$ 72	\$ 72	\$ 40	\$ 39
Per Person Cost	\$ (100)	\$ (117)	\$ (72)	\$ (58)	\$ (26)	\$ (27)
Annual Net Cash Flow	\$ (5,484,125)	\$ (6,405,750)	\$ (3,962,683)	\$ (3,174,283)	\$ (1,414,784)	\$ (1,483,922)

⁷ Attachment B is the Beans Café proposal.

⁸ Based on experience with other hotel housing conversions a percentage of 60% is assumed for roommates or couples – 2 people per room.

⁹ The MOA currently has approximately \$8M in unappropriated Emergency Rental Assistance 2 funds.

Key Assumptions	All -capacity is limited to 150 persons per location unless have assembly approval or civil emergency declaration All - Access and services are provided 24/7 All - Meals and showers able to be delivered onsite All - Staffing presumed on a 3 shift basis - am, swing, overnight All - Supportive Services incur 10% federal indirect rate charge		
MOA Owned Congregate	Per person per day services rate inclusive of food MOA facilities incur a M&O cost 1:30 day and 1:50 night staffing ratio Not eligible for rental income		
Leased Congregate Shelter	Per person per day rate inclusive of food Leased cost of 21,000 sq. ft. building assumed at 1.50 sq ft Will incur additional shower and restroom costs based on building Not eligible for rental income		
Leased Non-Congregate Shelter	Assumes a \$60 per night per room rental rate Staff based on number of floors and building configuration Not eligible for rental income		
Leased Hotel Housing	Assumes a \$60 per night per room rental rate Use of ERA 2 funds at \$657/mo per unit without kitchen access (\$840/mo with communal kitchen access) Staff based on number of floors and building configuration		
Purchased Hotel Conversion Housing	Building already purchased Building costs based on prior hotel conversion plus 20% M&O set aside Staff based on number of floors and building configuration Use of ERA 2 funds at \$657/mo per unit without kitchen access (\$840/mo with communal kitchen access) Assumes some roommate occupancies		
MOA Bldg. Housing	M&O for building costs based on prior hotel conversion plus 20% M&O set aside Use of ERA 2 funds at \$657/mo per unit without kitchen access (\$840/mo with communal kitchen access) Assumes some roommate occupancies Staff based on number of floors and building configuration		

DEMOBILIZATION

The Task Force believes the success of an emergency shelter response is depends on having a demobilization plan established from the outset. The discontinuation of services at the Sullivan Arena and Centennial Campground without a clear plan for their closure caused unnecessary confusion and concern for individuals utilizing those options. For purposes of the recommendations provided, the demobilization plan contemplates additional facilities coming online in approximately 90 days to replace any congregare shelters established in a MOA facility. For example, if the Tier 2 option of a housing conversion and/or a non-congregare master lease for 50 rooms at the Alex Hotel can be completed, individuals from congregare shelter in the Dempsey Ice Arena (or other selected option) could move into those opportunities. The same would be true if a leased congregare facility is located and funded by the MOA. The Task Force expects that the need for congregare shelter should decrease as more housing opportunities are made available by leveraging available HUD Emergency Rental Assistance funds.

COMMON RECOMMENDATIONS

There are several facilities that are frequently questioned as potential locations for sheltering individuals experiencing homelessness. These include the Northway Mall, former Johnson's Tire in Midtown, JC Penney Furniture Warehouse and Sears Warehouse, former Sam's Club at Tikatnu, and

the former Alaska Club on Tudor. All of these sites and many like them have been considered and vetted previously by the facilitation process and again reviewed through the Task Force. These facilities are not available due to owner choice, change in status since originally considered or an inability to get a quick decision. Many of these facilities are owned by companies with out of state contacts. Some have unseen uses, such as Johnson's Tire, where there is a tenant occupying a portion of the building and the former Alaska Club now owned by an adult day center. Others are in redevelopment or being prepared for lease or sale such as the Northway Mall and the JC Penney Furniture and Sears Warehouses. In the end, no private space was found available that met the minimum criteria and that is available for occupancy by the end of September.

CONCLUSION

Using a multifaceted initial approach, the MOA can successfully turn on enough immediate capacity for shelter, while also defraying costs with investments in housing. These recommendations are focused on immediate activation for the next 90 days. There is an expectation that additional housing capacity is likely and that private locations may become available. The Task Force will continue to update its information on availability and costs for Tier 2 options as well as update census and utilization rates as capacity through mini grants may also be made available. A more fulsome report will be made in early to mid-October as this work continues.

If the Mayor's office or the Assembly would like to discuss these preliminary recommendations or provide further guidance as Tier 2 options are explored, the Task Force welcomes the participation and feedback.