

**ALASKA STATE LEGISLATURE**  
**SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE**

March 9, 2011

1:34 p.m.

**MEMBERS PRESENT**

Senator Bettye Davis, Chair  
Senator Dennis Egan  
Senator Johnny Ellis  
Senator Kevin Meyer  
Senator Fred Dyson

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

**REPORT ON HOMELESSNESS:**

Alaska Coalition on Housing and Homelessness  
Alaska Housing Finance Corporation  
Neighbor Works Anchorage  
Alaska Mental Health Board and Advisory Board on Alcoholism  
and Drug Abuse  
RuralCap

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

SUZI PEARSON, Chair  
Alaska Coalition on Homelessness  
Anchorage, AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

DAN FAUSKE, Chair  
Alaska Council on the Homeless  
CEO, Alaska Housing Finance Corporation  
Anchorage AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

DEBBIE MAHONEY, Executive Director

Neighbor Works Anchorage  
Anchorage, AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

MIKE COURTNEY, Deputy Director  
Neighbor Works Anchorage  
Anchorage, AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

KATE BURKHART, Executive Director  
Alaska Mental Health Board  
Juneau, AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

KENNY SCOLLAN, Anchorage Services Division Manager  
Rural Alaska Community Action Program (RuralCap)  
Anchorage, AK

**POSITION STATEMENT:** Presentation on Homelessness in Alaska.

#### **ACTION NARRATIVE**

[1:34:19 PM](#)

**CHAIR BETTYE DAVIS** called the Senate Health and Social Services Standing Committee meeting to order at 1:34 p.m. Present at the call to order were Senators Dyson, Meyer, Ellis, Egan, and Chair Davis. Chair Davis announced the committee would hear presentations by five different organizations that deal with the problem of homelessness in Alaska.

#### **ALASKA COALITION ON HOMELESSNESS**

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CHAIR DAVIS announced the first presenter would be Suzi Pearson, from the Alaska Coalition on Homelessness.

SUZI PEARSON, Chair, Alaska Coalition on Housing and Homelessness (ACHH) and Executive Director of Abused Women's Aid in Crisis (AWAKE), said she would give an overview of the topic. In 2005 she attended a day-long meeting at the Brother Francis Shelter, which gave her opportunity to network with community partners about homelessness. She wanted to know how AWAKE, as a domestic violence provider, could intersect with the Coalition on Homelessness. She was surprised to learn that half of those who were homeless were fleeing domestic violence.

In 2005 Anchorage started to address homelessness through a task force which developed a ten-year plan and created a more

organized and stronger coalition. The grassroots movement was starting to take shape throughout Alaska. The mission of the coalition is to develop strategies to alleviate homelessness and to increase the availability of affordable housing in Alaska. A primary goal is to give an opportunity for direct service providers to connect and share solutions. Homelessness and the threat of becoming homeless are real problems in Alaskan communities.

Each year homeless providers participate in a point-in-time count, where on one day providers count the number of people who are living on the street, in shelters, in cars, in camps, and with friends or family in overcrowded apartments and doubled-up situations, sometimes putting that friend or families' own housing at risk. On a single day in January, 2010, 4,982 people in Alaska were homeless. Among them were 822 families, comprised of 2,826 children and adults. On that day, 242 people met the definition of chronic homelessness, meaning that individual had a disabling condition and had been continuously homeless for a year or more or had experienced at least four episodes of homelessness in the last three years.

The federal government has focused energy on ending chronic homelessness, and there has been a great reduction in the numbers of chronic homeless individuals. However, families with children are the fastest growing segment of the homeless in our communities.

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Project Homeless Connect was held in January 2011 in Anchorage, Fairbanks, Juneau, Ketchikan, and Mat-Su. This program brings homeless people together in one place, on one day, where they can easily get help. This is a real step forward for communities in Alaska in addressing the issue of homelessness. It is also very proactive, giving service providers the ability to provide direct service immediately, and connecting people with solutions quickly. It is also an opportunity for providers to hear about the issues and concerns of homeless people.

The Anchorage Beyond Shelter program mission is to identify families with children who are homeless and help them to obtain and retain permanent housing. Their vision is that no family with children will sleep in their car or in a place unfit for human habitation. This collaboration of nonprofits, housing providers, local churches, and the Anchorage school district provides short-term, temporary housing, crisis response, case

management, and rental assistance, with a goal to assist families to achieve permanent, affordable housing.

They have also created a cold weather plan. Shelters in Anchorage have been at or over capacity for much of the last several years. When it is 30 degrees or colder, families can call a centralized hotline number and be referred to beds at churches or overflow sleeping areas in a shelter.

Smaller communities are also finding creative ways to address homelessness. In Barrow, they use two rooms at a local motel to alleviate emergency concerns. Multiple generations are living in substandard housing which is overcrowded and unsafe. The community recently received funding and they are addressing the substandard housing to make it safer.

The creation of housing stock in Alaska's communities is at the core of ending homelessness. In Kenai, Love, Inc. has increased transitional housing space from 15 to 100 units by acquiring a motel. Communities throughout the state know that homelessness is a problem. They are learning from each other, finding creative solutions, and they are asking the legislature to become a part of the solution in creating more affordable housing and helping to end homelessness in Alaska.

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SENATOR ELLIS asked what the various organizations do in terms of target populations, such as homeless veterans.

MS. PEARSON answered the primary focus with veterans comes from programs in Anchorage which have resources, referrals and services for veterans. The Beyond Shelter program can help veterans with families. All the agencies collaborate in order to help people.

SENATOR ELLIS asked if there is enough of a sense of urgency.

MS. PEARSON responded that she thinks there is. Anchorage is fortunate to have a cold weather plan. But the numbers of homeless are growing, especially families.

SENATOR DYSON noted that when school districts talk about the number of homeless families, possibly living with family members, some of these people are not literally homeless.

MS. PEARSON responded that there are barriers in these situations. Often the living space is overcrowded, or the

friends and families are in subsidized housing and not allowed to have people stay with them. This puts them at risk of losing their own housing. These families might not be living in a shelter or on the street, but they can become homeless at any time. Or in the case of domestic violence they might have to leave home.

SENATOR DYSON said, "So homeless means not having a permanent place." He noted that some churches and social organizations are providing temporary places to sleep.

MS. PEARSON replied for the cold weather plan, Anchorage City Church has opened the church at night for people to sleep. Also Clair House or McKinnell Shelter can let them stay for one night in overflow areas.

SENATOR DYSON said his parents took in homeless people when he was growing up, and asked why the coalition can't find private homes to help.

MS. PEARSON responded she did not know how to answer that question.

SENATOR DYSON said liability may be an issue.

SENATOR MEYER asked why the numbers of homeless are increasing.

MS. PEARSON responded it is the gap between income and the cost of housing. There is a two percent vacancy rate in Anchorage, and when housing providers raise rents there is no corresponding increase in income.

SENATOR MEYER asked if there is more than one church helping in Anchorage.

MS. PEARSON answered she thinks there are two.

#### **ALASKA HOUSING FINANCE CORPORATION**

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CHAIR DAVIS announced the next presenter would be Mark Romick, from Alaska Housing Finance Corporation (AHFC).

MARK ROMICK, Director of Planning Department, Alaska Housing Finance Corporation, said his role was to go over technical information that was submitted to the committee in advance and to briefly review the major points. AHFC is involved in a large

number of homeless impact programs, and this is partly due to funding from the legislature.

A review of the public housing and voucher program shows that average tenure of residents has increased from 3 years to over 8 years. This is because AHFC does not receive additional vouchers. With a fixed number of vouchers and a fixed number of dollars, and rent increases, they can serve fewer people. This is a significant issue for AHFC.

The budget cuts now pending in Congress could mean a substantial loss in operating revenue as well as a reduction in the number of vouchers. The veterans voucher program is also being discussed for a potential cut. AHFC has 95 vouchers set aside for homeless veterans. These would be in jeopardy if the House cuts pass. There is a gap between what people can afford to pay for rent and what the average wage is in Alaska. Rent levels have continued to increase but the Department of Labor reports that average wage earnings have remained flat.

He also stressed the importance of job creation and natural resource development. On one hand it is good for some people, but for low income people it means the cost of housing rises and there is less available housing as people move in from other areas to take new jobs. This leads to doubling up and working multiple jobs, and makes the housing situation more precarious for some people. He noted that homelessness is increasing, but the rate of increase is slowing. This coincides directly with the increase in the Homeless Assistance Fund appropriated by the legislature in 2009.

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DAN FAUSKE, Chair, Alaska Council for the Homeless and CEO of AHFC, said he will speak about what is being done at the state agency level. The Alaska Council for the Homeless is appointed by the governor and includes state commissioners, local officials, business representatives, and members of the public. Homelessness is a complex problem with many subpopulations. Aside from chronic inebriates, the vast majority are victims of low incomes plus high rental costs. The key to decreasing homelessness is a combination of housing, services, and employment.

In 2009 the Council adopted a 10 year plan to end homelessness in Alaska. It calls for a minimum \$10 million investment annually. The federal government is the largest funder of long term housing assistance. This includes vouchers, subsidized

apartments, and Indian Housing grants. Wait lists for public housing are growing; currently 6,653 households are on the AHFC wait list. As more people get displaced from their current homes and wait for assistance, AHFC and its funding partners, the Mental Health Trust Authority and the legislature, work together to address temporary housing needs through the state-funded Homeless Assistance Program (HAP).

In FY10, 11,560 people were given shelter or short-term financial assistance through the HAP in nearly a dozen Alaskan communities. The economy has affected AHFC investment earnings; thus, they were unable to contribute as much as they had in the past. Governor Parnell has requested a combination of general fund and mental health trust receipts to fund the program at current levels.

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The key point is that solving this problem requires a commitment to encourage development of housing options. Alaskan communities have not done as much as they should to expand affordable housing. Government has a role in insuring that quality housing options are available. Mr. Fauske noted that Little Davis Bacon Act wages required to be paid in federally funded construction projects push the cost of housing up by 25 percent. It is ironic that the state pays the highest wages when trying to house the least fortunate. Construction costs to house disabled or homeless people are up to \$500 per square foot. AHFC is ready to provide technical assistance to any locality to increase the supply of affordable housing.

AHFC is also working on a bill that will authorize it to create a subsidiary corporation to become a development partner with a private entity in the acquisition, creation, and development of affordable housing. AHFC is proud of what they have been able to accomplish. They are committed to doing more.

Mr. Fauske said AHFC is analyzing ways to attack the problem. It all comes down to money, but it must be spent wisely. The housing wait list approaching 7,000 is quite dramatic. The fear is, while Alaska needs the gasline project, when that project happens, low income people will get further left behind. Rents will go up; housing will become scarce. The Homeless Coalition has discussed this. Another challenge is housing for newly released prisoners. Unless they have family to help them, they are homeless when they hit the street.

#### NEIGHBOR WORKS ANCHORAGE

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CHAIR DAVIS announced the next presenter would be Deb Mahoney of Neighbor Works Anchorage.

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DEBBIE MAHONEY, Executive Director, Neighbor Works Anchorage, said their organization has housing, and they are struggling with how to be successful in housing the people they are taking in. If they can get them out of shelters and into permanent housing, that allows more shelter beds to be available. This involves supportive services to help people stay in permanent housing.

MIKE COURTNEY, Deputy Director, Neighbor Works Anchorage, stressed the need for wrap-around services to help individuals stay in housing. The biggest issue is affordable rental housing; Neighbor Works has nine properties with 950 rental units in Anchorage. This involves more than just giving people a home; they try to help them become self sufficient.

Neighbor Works partners with over 30 organizations to provide safe, affordable housing. They also offer leadership training and mentorship to help people become empowered to make better choices. They participate in Homeless Connect events and work with at-risk adults to provide training and tools to support individuals as they work toward achieving their goals.

The Adelaide, a 73 unit building, serves a very low income population. Neighbor Works is trying to develop new housing for populations at risk, to prevent homelessness.

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The Connolly Square development is a Housing and Urban Development (HUD) program for low income seniors over 62. Neighbor Works also works with partners to assist hard-to-house families; these might have a lot of past evictions, criminal records, possibly substance abuse issues. They try to put these families into a stable environment and keep them there. Neighbor Works is reducing homelessness through community engagement and partnerships. The whole community is needed. Every person they house is one less person on the street.

**ALASKA MENTAL HEALTH BOARD**

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CHAIR DAVIS said the next presentation would be from the Alaska Mental Health Board.

KATE BURKHART, Executive Director, Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse, said she would focus on the people who experience homelessness. Recent and historic point-in-time count data show that families experience homelessness; 29 percent of the homeless households counted were families with children. The national rate for this group was 23-31 percent. During the 2009-2010 school years, Alaska school districts identified 4,218 children as being homeless. Homelessness affects a child's development, and can lead to developmental delays. Children who have experienced homelessness are more likely to develop health problems and more likely to have behavioral problems. This can have a lifelong affect.

Veterans experience homelessness. In January of 2010, six percent of those counted were veterans. They are more likely to be single adult men. Alaska has the highest per capita population of veterans in the country, and they are 16 percent of all homeless adults nationally, although they only account for eight percent of the total population. There is currently a bipartisan effort in Congress to improve options for homeless veterans.

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Youth become homeless for many reasons, including abandonment by a parent, being kicked out of a home, being the victim of physical or sexual abuse in the home, substance abuse by the youth or by a parent, domestic violence, teen pregnancy, and other family conflict. During the 2009-2010 school years in Anchorage, 1,306 sophomores, juniors and seniors were homeless some time during the school year.

Homeless youth are more at risk for suicide, exploitation, developing mental health disorders and post traumatic stress disorder, and developing substance use disorders. Young women often become victims of human trafficking. Many young people will not connect to services for fear of being returned to the environment they fled, and many become involved in the drug trade. Homelessness most often affects students in alternative high schools and is a risk factor for dropping out of school.

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People with substance use disorders become homeless. Being a substance abuser over 50 is a risk factor for early death. The homeless population is aging. Cirrhosis of the liver, repeated

emergency room visits, and hospitalizations are frequent in homeless individuals with substance abuse disorders. The longer a person is homeless, the more important it is to consider those factors that make them more vulnerable.

Victims of domestic violence experience homelessness. Sometimes a person has a choice between having a home where they are abused and having no home. Half of all women and children experiencing homelessness report that they are fleeing domestic violence. In Juneau a little over ten percent of the people counted in January 2010 reported past domestic violence. This was a 3.6 percent increase in the number of people reporting past domestic violence.

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Newly released prisoners experience homelessness; many of them were also homeless before they came into prison. The Department of Corrections Discharge Incentive Grant tries to address the housing needs of newly released prisoners. This program ensures that people have a seamless transition when they are discharged from corrections into housing, with intensive supports to help them maintain that housing. This is made possible with an appropriation of Alaska Mental Health Trust Authority funding. It has served 43 people; with this seamless transition and intensive supports, people stay out of jail. The reduction in total jail bed days as a result of this program is almost 8,000 days.

People with serious mental illness experience homelessness. Of the people counted in January 2010, 18 percent reported serious mental illness. A large portion of the people surveyed refused to answer this question. National data shows 26 percent of the homeless experience serious mental illness. The Bridge Home program in Anchorage provides a seamless transition to housing with intensive supports. People coming out of institutions are properly housed and provided supports needed to stay in housing. Success is based on intensive supports, and a two year analysis shows a significant decrease in readmissions.

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There are effective housing models, and most are tailored to the needs of the specific populations they serve. Transitional housing such as Covenant House addresses the specific needs of youth. Programs that prioritize populations by vulnerability are also very effective. Supportive housing for people experiencing serious mental illness, such as Polaris House, and supportive housing for chronic alcoholics such as the Karluk Manor project

in Anchorage, all are effective ways of providing supportive housing.

Data shows that 5,281 Alaskans were homeless in 2010. There has been a downturn in chronic homelessness; the number of homeless is increasing, but the rate of growth is decreasing. Alaska is making progress, but we are still a mile away from home.

### RURALCAP

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CHAIR DAVIS announced the final speaker of the day would be Kenny Scollan of RuralCap.

KENNY SCOLLAN, Anchorage Services Division Manager, Rural Alaska Community Action Program (RuralCap), Anchorage, said RuralCap is one of the largest and most established nonprofits in Alaska. They started working with the homeless in 1997, with a program called Homeward Bound. This is a transitional housing program to help chronic street alcoholics reclaim their lives and reenter society. The program has 25 beds; one criterion for admission to the program was 40 community service patrol pickups in one year. In fact, the first residents had averaged 114 pickups each. Once they completed the program, this population had problems moving out into the real world. There was no place for them to go.

In 1999 RuralCap started an affordable housing program by purchasing three 4-plexes. The philosophy was to give homeless people a new start. This was fairly successful, and they expanded again in 2001, by purchasing two 8-plexes with a loan from AHFC. With a grant from the Rasmusson Foundation, they were able to make energy efficiency upgrades. They now had 28 2-bedroom units, but their population tended to need single bedrooms or efficiencies. So they purchased three 4-plexes, all single bedroom units. They added handicapped ramps and were able to serve the disabled population.

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They had low vacancy rates but a 25 percent turnover. The population that wasn't making it needed more support. In 2008 they collaborated to get a special needs housing grant. They purchased a property with eleven units but which was only zoned for ten, so they had room for an office where they placed a residential services specialist. This person provided supervision, and knocked on every door every day. This worked out well, and they opened up two more over the next three years. One building is handicap accessible.

Another 20 percent had failed in this type of housing, so RuralCap started looking at the Housing First model. There is a single point of entry to control who comes in and out, and two people on staff at all times. There is a limited visitor policy, with no overnight stays allowed. They serve two meals per day, and have 35 project based vouchers to help with rent. They are trying to set aside some vouchers for veterans. This program reduces drinking by about 30 percent. Of 13 people tracked, prior to being housed they had 10-284 pickups a year, for a total of 919 pickups. After being in housing for an average of three years, the number of pickups dropped to 16. The program does work. It costs about \$60,000 dollars per year to keep a late stage chronic alcoholic on the streets. In a program such as Housing First, it costs \$21,000 per year to house that person.

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SENATOR ELLIS asked if the quality and variety of programs offered at Karluk Manor will be diminished because of increased costs.

MR. SCOLLAN responded RuralCap is expanding its budget. Many changes were requested by the Community Council. Planning and zoning requirements added an elevator, heated sidewalks, and two people on staff. The Rasmusson Foundation has committed funding to help with the elevator. RuralCap can afford to make these changes. They did not have the money set aside but are committed to making it happen. They hope to open by September first. The only unknown is how long the permitting process will take.

SENATOR ELLIS said he would encourage RuralCap to keep a dialogue going with the neighborhood.

SENATOR DYSON said he wanted to go on record as supporting the Housing First concept. He thought originally that Homeward Bound's mission was to equip people to return to their homes in rural areas.

MR. SCOLLAN responded when the program first started part of their mission was to return people to their home villages, since 78 percent of their population was Alaska Native. Most people now don't want to return to the village.

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CHAIR DAVIS thanked the presenters and said they are doing a good job. She noted some providers need funding from the

legislature. This is a community issue and we have to pull together to make sure that people have a place to stay rather than on the street. The reason doesn't matter; once they become homeless they are victims.

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There being no further business to come before the committee, Chair Davis adjourned the meeting at 2:57 p.m.