

SENATE FINANCE COMMITTEE
February 12, 2019
9:01 a.m.

9:01:15 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:01 a.m.

MEMBERS PRESENT

Senator Natasha von Imhof, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Click Bishop
Senator Peter Micciche
Senator Donny Olson
Senator Bill Wielechowski
Senator David Wilson

MEMBERS ABSENT

Senator Lyman Hoffman
Senator Mike Shower

ALSO PRESENT

Dick Mandsager, Rasmuson Foundation Senior Fellow for Homelessness; Mike Abbott, Chief Executive Officer, Alaska Mental Health Trust Authority; Brian Wilson, Executive Director, Alaska Coalition on Housing and Homelessness; Jasmine Khan, Executive Director, Anchorage Coalition to End Homelessness; Mike Abbott, Chief Executive Officer, Alaska Mental Health Trust Authority; Bryan Butcher, Chief Executive Officer and Executive Director, Alaska Housing Finance Corporation, Department of Revenue.

SUMMARY

PRESENTATION: EVALUATING MULTI-AGENCY INITIATIVES ON HOUSING and HOMELESSNESS.

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9:01:48 AM

Co-Chair Stedman discussed the agenda for the day.

Co-Chair von Imhof remarked that the impetus of the presentation had come from some of her work with the Rasmuson Foundation. The foundation had found that housing allowed individuals to pivot to other areas of life such as: health, mental well-being, employment, or education. She asserted that addressing homelessness created a foundation for a healthier and safer lifestyle. She noted that many other organizations were doing similar work, and the foundation had asked the others to collaborate for an informational presentation to Senate Finance. She mentioned that she was a board member of the Rasmuson Foundation; and it was an uncompensated position. She informed that the foundation directed \$25 million in resources into the state each year. She introduced the president and vice-president of the foundation.

[9:04:41 AM](#)

DICK MANDSAGER, RASMUSON FOUNDATION SENIOR FELLOW FOR HOMELESSNESS, introduced himself and discussed his background. He had been a pediatrician and had worked in hospital administration. He had retired the previous spring before beginning his work at the Rasmuson Foundation. He introduced his fellow testifiers. The group would discuss data showing what was known about homelessness; as well as issues of mental illness, substance abuse, and how public housing contributed to solutions and challenges.

Mr. Mandsager discussed the presentation "Homelessness presentation to the Senate Finance Committee" (copy on file).

Mr. Mandsager turned to slide 2, "Who are we?":

- Dick Mandsager: Rasmuson Foundation Senior Fellow for homelessness
- Mike Abbott: CEO, Alaska Mental Health Authority
- Bryan Butcher: CEO/Executive Director Alaska Housing Finance Corporation
- Brian Wilson: Executive Director, Alaska Coalition on Housing and Homelessness
- Jasmine Khan: Executive Director, Anchorage Coalition to end Homelessness

Mr. Mandsager showed slide 3, "Today's Objective":

- Describe the current state of homelessness in Alaska including:
 - Root causes
 - Data
 - Prevention of homelessness
 - Homelessness is a complex problem

Mr. Mandsager emphasized that homelessness intersected with many issues of public policy in education, prisons, corrections, and other areas.

Mr. Mandsager spoke to slide 4, "Outline for today":

- What do we know about homelessness in Alaska: Jasmine Khan and Brian Wilson
- What are the connections between mental illness, substance abuse disorder and homelessness: Mike Abbott
- What is the role of AHFC to prevent and to address homelessness: Bryan Butcher
- Conclusions: Dick Mandsager

[9:07:18 AM](#)

Mr. Mandsager displayed slide 5, "Why should the community care about homelessness?":

- Ethical and moral issues:
 - importance of "home"
 - data that shows increased ability to address medical issues, education, job acquisition
 - Religious teachings that it should be our priority to care for the most vulnerable in our midst (Christian, Judaism, Islam, Buddhism)
- Cost to our community
- Public health and safety
- Business vitality

Mr. Mandsager stated that the intersection of a home and health became apparent to him in his work in a hospital. He quoted a doctor in Spokane who said, "As an ER doc, the first and most important prescription is home." He asserted that it was hard to feel safe and heal physically or psychologically without a home. He referenced data that showed that individuals were much better able to deal with life issues when one had a home.

Mr. Mandsager continued to address slide 6, noting that homelessness had been a deeply rooted issue that had been addressed in many religions. He stated that upcoming slides would address the costs of homelessness. He emphasized the importance of language and asked for consideration of the phrase "people who experience homelessness."

9:11:01 AM

BRIAN WILSON, EXECUTIVE DIRECTOR, ALASKA COALITION ON HOUSING AND HOMELESSNESS, introduced himself. He thought the previous testifier had introduced the topic well.

Mr. Wilson showed slide 6, "Homelessness in Alaska Presentation for Alaska Senate Finance Committee."

Mr. Wilson reviewed slide 7, "Why the urgency to end homelessness in Alaska?":

Homelessness is a non-partisan statewide concern inextricably linked to other community challenges:

- Mental, Behavioral & Physical Health
- Public Health & Safety (including crime)
- Low-Income and Affordable Housing
- Statewide Economics
- Substance Misuse
- Domestic Violence & Child Abuse

Mr. Wilson spoke to the complexity of the issue of homelessness. He asserted that people that experienced homelessness fell into a situation of not having a safe reliable home for different reasons.

Mr. Wilson turned to slide 8, "What causes homelessness?":

Many factors contribute to homelessness:

- Life event changes (divorce, job loss, health changes, death of a family member, natural disaster)
- Mental and physical illness
- Physical and sexual abuse
- Poverty
- Lack of available housing
- Substance Misuse

Mr. Wilson spoke to slide 9, "Who are the key partners in this work?":

- Alaska Coalition on Housing and Homelessness (AKCH2)
- Anchorage Coalition to End Homelessness (ACEH)
- Alaska Housing Finance Corporation (AHFC)
- Alaska Mental Health Trust Authority
- Anchorage Homelessness Leadership Council
- Local Housing & Homeless Coalitions
- Association of Alaska Housing Authorities
- Service Providers & Advocates
- Government Services (police, fire and healthcare)

Mr. Wilson noted that there had been a variety of entities that had identified homelessness as an important issue to address, and the slide listed only those the coalition worked mostly with. He discussed the challenge of becoming siloed in work. He emphasized the need for deliberate and consistent communication of policy coordination and resource delivery.

Mr. Wilson turned to slide 10, "What is a Continuum of Care?":

A Continuum of Care (CoC) is designated by the U.S. Department of Housing and Urban Development (HUD) to coordinate local homeless services. Continuums of Care work to reduce homeless and promote long-term housing stability through:

- Community-wide planning
- Coordination of resources and programs targeting people experiencing homelessness
- Data collection and performance measurement

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Mr. Wilson turned to slide 11, "What is a Continuum of Care?":

Core Elements of a CoC

- Housing and Support System
- Coordinated Entry
- Homeless Management

Information System

- Active partnerships with cross sector stakeholders
 - Those with lived experience
 - Providers
 - Government Entities
 - Funders

- Non-Profits
- Law Enforcement
- Housing Entities
- Advocates

Mr. Wilson discussed the importance of having a diverse board that utilized diverse perspectives.

Mr. Wilson showed slide 12, "What housing and supports are included in the Continuum of Care?" The slide showed a flow chart and a table entitled 'Leveraging Services Across the Coc.' He mentioned Co-Chair von Imhof's comments regarding the importance of housing in a person's wellbeing.

Mr. Wilson emphasized the need to link individuals with supportive services and more mainstream resources such as Section 8 housing vouchers, Medicaid, and behavioral health supports. He asserted that when any changes happened to any of the supportive services, it had a ripple effect on the housing program because the programs were inter-reliant. He thought it was important to view the situation holistically.

Mr. Wilson discussed slide 13, "Homeless Management Information System (HMIS)":

Client Data is collected during a variety of interventions

- Street Outreach
- Program Intake (Shelter, Housing Program, etc)
- Coordinated Assessment (in person or telephonic)
- Annual Point in Time Count
(January)

Mr. Wilson explained that data from the information system included demographic data, mental/behavior/physical health complications, access of programs, and where individuals were being referred. He encouraged members to access the coalition website for aggregate level community data available to learn about what services were being accessed.

[9:19:35 AM](#)

Mr. Wilson displayed slide 14, "Homelessness in Alaska." He stated that the testifiers had been asked to describe the state of homelessness in Alaska, which was incredibly difficult to do in a short time period.

Mr. Wilson turned to slide 15, "Homelessness in Alaska":

Presentation Overview

1. Statewide Homelessness Measures
2. Existing Statewide Homeless Interventions
3. Severe Overcrowding & Shortage of Housing Stock
4. Homelessness in Anchorage
5. What is working in Alaska?
6. What is needed?

Mr. Wilson discussed slide 16, "How many Alaskan are Experiencing Homelessness?" The slide showed a map of the state. He mentioned the Point in Time Count, which the coalition completed each year. Organizations were required by HUD to complete the count, after which HUD used the data in part to inform resource allocation. The goal of the count was to find the number of individuals that were unsheltered or were accessing emergency shelters or transitional housing. There were coordinated counts in 17 regions.

Mr. Wilson noted that the dots on the map represented areas where the counts were collected. He drew attention to the Kenai Peninsula area. The previous years data found just over 2,000 individuals without permanent housing options; with over 300 of which were unsheltered. He noted that it was -30 degrees in Fairbanks during the count, and there had been 32 unsheltered individuals.

Mr. Wilson noted that two-thirds of the individuals identified in the count were outside of Anchorage. He reminded that homelessness also existed in rural areas. He thought it would be helpful to consider what resources were available for housing interventions statewide.

[9:23:50 AM](#)

Mr. Wilson displayed slide 17, "Existing Year-Round Resources," which showed a map of the state and a data table. He noted that the following six slides would tell the story of why there was homelessness in rural areas. The heat map showed how many total beds there were in each census area per capita. He clarified that only year-round resources were counted.

Mr. Wilson expanded that more densely populated areas had more dedicated resources. He noted that areas in red had little or no resources. He emphasized that it was critical to remember that not every single bed was targeted for any person that was experiencing homelessness. He pointed out that the state had a relatively high number of options in the state for victims of domestic violence.

Mr. Wilson turned to slide 18, "Existing Year-Round Resources - Excluding Domestic Violence Beds," which showed a map depicting year-round resources excluding domestic violence beds. He noted that if a person in Adak was not fleeing a domestic violence situation, the nearest resource was 1,000 miles away. He discussed the challenge of ensuring fair and equal access to all individuals who become homeless. He noted that the next four maps would look at individual types of interventions.

[9:27:01 AM](#)

Mr. Wilson looked at slide 19, "Existing Year-Round Emergency Shelter," which showed a data table and map.

Mr. Wilson showed slide 20, "Existing Transitional Housing," which showed a data table and map.

Mr. Wilson showed slide 21, "Existing Rapid Re-Housing Beds," which showed a data table and map. He noted that rapid re-housing was a best practice housing intervention and was one of the most successful housing models in the state, which provided temporary waning-off assistance for rent and deposit and utilities.

Mr. Wilson showed slide 22, "Existing Permanent Supportive Housing," which showed few resources for the most vulnerable population. He stressed that one of the biggest challenges was the lack of resources in many communities in which people were presenting as homeless. He discussed possible scenarios that could lead to homelessness.

Mr. Wilson turned to slide 23, "Defining Homelessness." He considered that individuals in Department of Education and Early Development(DEED) would have a different definition of homelessness than HUD. Even within the definitions, there was subcategories. He introduced the term "chronic homelessness."

Mr. Wilson showed slide 24, "Defining Homelessness," which showed a HUD flow chart to aid in showing how complex the subject was. He explained that HUD released the chart to communities to help agencies determine if an individual was chronically homeless. He added that the condition was a prerequisite for some individuals to receive some housing supports. He pointed out that definitions tried to provide some clarity and order to resource allocation and policymaking; but the definitions did not necessarily explain homelessness in the state. He discussed the unique characteristics of the state and noted that homelessness in rural Alaska often played out differently than in other areas.

[9:30:38 AM](#)

Mr. Wilson displayed slide 25, "Severe Overcrowding," which showed a state map depicting the percentage of homes by census areas that were considered overcrowded by HUD's definition. He thought the slide showed the problem linked to the homeless situation in the state. He pointed out that in more populated areas the percentages were low, but in some areas of Western Alaska more than half of homes were considered overcrowded or severely overcrowded.

Mr. Wilson continued to address slide 25. He noted that the coalition had presented the challenges the previous year to the United States Interagency Council on Homelessness, which was made up of 19 federal departments. The council could not believe the numbers.

Mr. Wilson spoke to slide 26, "Overcrowding Rates by ANCSA Region," which showed a bar graph of the 13 ANCSA regions. He noted that the national average was shown at the bottom of the slide, and the slide showed that every single one of the state's ANCSA regions had overcrowding rates higher than the national average. In some cases, Alaska had regions that had 12 times the national average of severely overcrowded homes.

Mr. Wilson discussed slide 27, "Housing Shortage and Overcrowding Visualized." The slide showed photographs of two houses in Savoonga that were severely overcrowded.

Mr. Wilson showed slide 28, "Housing Shortage and Overcrowding Visualized," which showed more photographs of

overcrowded homes in rural Alaska. He discussed the lack of homeless interventions shown on previous slides and noted that homes in rural Alaska became shelters. He reiterated that definitions of homelessness did not always reflect the challenges in the state. The HUD definition of homelessness did not account for any of the individuals that lived in the houses pictured. He had visited a house with 26 individuals living in it.

Mr. Wilson explained that based on the HUD definition, data would show zero homeless individuals in Savoonga, which was a statistic that was used in part to allocate resources. He thought rural housing availability (to scale) was a top housing crisis in the nation.

[9:34:28 AM](#)

Co-Chair von Imhof appreciated the maps. She referenced slide 26 and asked if different ANSCA regions were addressing homelessness in each area. She asked what Alaska Native corporations were saying with regard to addressing overcrowding.

Mr. Wilson stated that holistically the need in the regions was beyond the scope of what Alaska Native Corporations could do independently. He continued that the coalition had various partnerships in different regions. There were some partnerships and housing programs with corporations that provided services and even land for new housing programs. He thought the connection could be improved upon.

Senator Wielechowski asked if Mr. Wilson had seen research that demonstrated the importance of the Permanent Fund Dividend (PFD) to people living in a state of homelessness.

Mr. Wilson told a story about visiting a home in Savoonga. He had brought fresh fruit. He had asked every house about employment and had concluded that in isolated communities there was not the same scale of economy as in densely populated areas. Individuals relied on PFD checks more so than other communities as it was the sole income source for many people. The funds paid for high heating costs and transportation costs. He concluded that there was a disproportionate effect in remote areas.

Senator Wilson referenced rapid rehousing as a best practice.

Mr. Wilson agreed.

Senator Wilson asked if it would be suitable for all communities to invest in emergency shelter beds rather than investing in rapid rehousing to keep people stably housed.

Mr. Wilson stated that given the wide variety of needs within the homelessness community, investment in one housing intervention would still leave a need for other solutions. He did not see an emergency shelter as a housing resource, but rather a life and safety resource that was necessary for those immediately thrown into homelessness. For a large portion of the population, rapid rehousing would be extremely helpful. He considered the scale of needs of individuals and noted that some people had greater needs.

[9:38:58 AM](#)

Senator Micciche asked about the slide pertaining to active partnerships and noted the absence of religious groups. He asked if religious groups fell into another category.

Mr. Wilson stated that the coalition partnered with a lot of religious institutions, and the slide was only a small list of primary partners. He mentioned the Family Promise Program in Juneau, which was an interfaith shelter program run through churches. He stated that the religious community was a key partner.

Senator Micciche asked for a definition of overcrowding.

Mr. Wilson stated that HUD's definition of "severe overcrowding" was more than 1.5 individuals per bedroom.

Co-Chair von Imhof talked about the PFD, and thought upcoming legislative discussions would pertain to cuts to state government versus having a PFD. She pondered safe housing and state services versus a PFD. She wondered if Mr. Wilson had asked questions of that nature.

Mr. Wilson did not want to discuss the political nature of the PFD. He noted that the PFD was a resource that individuals were using in many communities to pay for different expenses.

[9:41:38 AM](#)

Senator Wilson asked if overcrowding was defined by HUD as 1.5 persons per bedroom.

Mr. Wilson answered in the affirmative, that's HUD's definition of "severe overcrowding" was more than 1.5 people per bedroom.

Senator Wilson asked if a married couple lived in a one-bedroom apartment, it would be considered overcrowding by HUD's definition.

Mr. Wilson found it frustrating that the definitions had such low thresholds. He thought a new definition was needed to understand the scale of overcrowding. He described that many of the communities he had visited had a one-bedroom with 16 to 20 people living in it.

Senator Wilson wondered if a state agency could re-define overcrowding in order to better understand the issue.

Mr. Wilson thought the executive director of AHFC would have a response to Senator Wilson's question. He noted that a piece of his advocacy with federal partners was to inform about the issue.

Senator Micciche stated he would like to see an Alaskan definition of overcrowding; and by the HUD definition, as a child he had never lived in an under-crowded situation. He referenced member's comments about the PFD. He thought that for a family to wait for the PFD to survive was in a constant state of emergency management. He thought excellent points had been brought up. He mentioned the possibility of other state services being eliminated and what it would mean to the people being discussed.

Co-Chair Stedman thought it was a difficult concept to recognize 1.5-plus people being over-crowded. Most of the families in the community he grew up in had shared rooms. He thought there was a serious benchmark error in the data.

[9:45:25 AM](#)

JASMINE KHAN, EXECUTIVE DIRECTOR, ANCHORAGE COALITION TO END HOMELESSNESS, introduced herself and referenced the Continuum of Care structure mentioned by Mr. Wilson.

Ms. Khan displayed slide 29, "Homelessness in Anchorage," and wanted to provide information as a case study for the different challenges faced in urban and hub communities.

Ms. Khan showed slide 30, "Homelessness in Anchorage":

- A moral issue
- An economic issue
- A visible issue

Ms. Khan noted that the City of Anchorage had been aggressively pursuing a conversation with the public regarding homelessness. Her team had spoken to about 1,700 people over the previous six months in different forums. The team had discovered that there was agreement in Anchorage that there was a critical problem that needed to be solved urgently. She referenced the Point in Time count data that indicated that at any given moment there was about 2,000 people experiencing homelessness in the state, 1,094 of which were in the Municipality of Anchorage. She detailed that the municipality served about 7,500 unique individuals in its homeless services array.

Ms. Khan spoke to slide 31, "Who is experiencing homelessness in Anchorage?" The slide showed three pie charts and two bar graphs. She thought it was important to talk about the interplay between rural and urban areas of the state. She emphasized the number of individuals that were living in a state of homelessness that had shared that they came to Anchorage for opportunity.

She noted that the graphs were a snapshot that described the population of individuals living with homelessness and could be found on both coalition websites. She highlighted that about 60 percent of the people served in Anchorage were men that fell into the age range of 25 to 65. Most individuals came to the coalition looking for employment assistance or some sort of health and safety services. She thought it was important to note that about 50 percent of the individuals served in Anchorage had some sort of formal disability.

[9:49:22 AM](#)

Ms. Khan discussed slide 32, "Anchorage Point in Time Count," which showed a bar graph showing the number of people experiencing homelessness on the one night of the count. She observed that the count in Anchorage looked flat over the previous five years; but asserted that the data did not match the community dialog. She stated that the Municipality of Anchorage had done a second Point in Time Count during the summer months. It was found that between 2017 and 2018 the number of unsheltered people in the summer months went down by 240 individuals. There had been a reduction in people in unsheltered environments, while there had been a corresponding increase in the number of individuals using shelter services.

Senator Wilson discussed camp abatements, whereby police moved homeless camps out of certain areas. He questioned whether the abatements were effective as a tool for the City of Anchorage.

Ms. Khan stated that success depended upon what was complementing the abatement services. The Municipality of Anchorage had invested in ancillary services, including the mobile intervention team. The team was made of trained individuals that worked with camp residents to triage and shepherd individuals to needed services before abatement.

Senator Wilson asked if Ms. Khan had data to reflect whether individuals had followed through with services recommendations during abatement.

Ms. Khan agreed to provide the data at a later time.

Co-Chair Stedman asked Ms. Khan to provide the data to his office.

[9:53:33 AM](#)

Ms. Khan showed slide 33, "Anchorage Housing at a Glance," which showed graphs and charts. She highlighted that there had been an interesting conversation with the National Low-Income Housing Coalition. The data on the slide was Anchorage-specific. She thought it was important to consider the lack of affordable housing for "extremely low-income" individuals, which was defined as the same or less than the poverty level or 30 percent of the state's median income.

Ms. Khan continued to address slide 33, noting that about 19 percent of the renter population in Anchorage fell under the category of extremely low income. Based on the data, there were about 6,700 less rental units than was needed. Of the individuals, 38 percent were working; an additional 31 percent were formally disabled, and an additional 20 percent were seniors. In summary, 90 percent of the individuals that fell into the category were working or could not work.

Ms. Khan summarized that current annual median income for renters in Anchorage was about \$17.82 per hour. To rent a one-bedroom apartment in Anchorage the cost was about \$19.90 per hour; and for a two-bedroom apartment it was required to earn about \$25.71 per hour. She mentioned the recent earthquake in Anchorage and noted that there were many people that lived paycheck-to-paycheck and through an unexpected circumstance had experienced homelessness for the first time. She discussed the challenge of the initial investment to rent an apartment and resources needed to secure housing. She referenced Mr. Mandsager's comments and agreed that the first prescription for health was housing.

[9:57:25 AM](#)

Senator Bishop asked how the state's homelessness percentage compared to other northern circumpolar countries with comparable population sizes such as Norway, Finland, Iceland, and Denmark.

Ms. Khan did not have the data available but offered to provide the information at a later time.

Mr. Wilson showed slide 34, "What is working?"

Mr. Wilson reviewed slide 35, "Housing First," which showed a housing flow chart. He asserted that the whole nation was in a paradigm shift toward using a housing-first model. The model eliminated barriers for people to access housing; with the idea that in housing it was easier to address medical, behavioral, mental health, and income challenges.

Mr. Wilson showed slide 36, "Housing First in Alaska," which showed photographs of permanent supportive housing resources in Juneau, Fairbanks, and Anchorage.

Mr. Wilson turned to slide 37, "Forget Me Not Manor (Juneau) - Service Use Changes," which showed a line graph that showed the use of services by individuals that entered the Forget Me Not Manor in Juneau. The chart showed that utilization of police contacts, emergency room visits and other services had dropped significantly for the most vulnerable individuals that were utilizing the housing.

Mr. Wilson reviewed slide 38, "Housing and Serving Veterans," which showed a line graph entitled 'Alaska Homeless Veterans and HUD-VASH Voucher Allocation, 2008 - 2017.' He noted that homeless veterans had been a targeted population for the program. The blue line showed the statewide number of housing vouchers, and the orange line was the number of homeless veterans that had been identified. He thought the inverted lines showed what impact a continued investment in such a program could have.

[10:00:59 AM](#)

Mr. Wilson displayed slide 39, "What is working to decrease homelessness?":

- Housing First Projects (Juneau, Fairbanks, Anchorage)
- VASH Vouchers
- Connecting the vulnerable to mainstream resources
 - Housing Vouchers and Subsidies
 - Employment Services
 - Health Care Supports (Physical, Mental and Behavioral)
 - Childcare Assistance
 - Substance Abuse Treatment
- Connecting the vulnerable to the right homeless services:
 - Coordinated Entry
 - Safety Net Services to decrease unauthorized encampments

Mr. Wilson addressed slide 40, "What is Needed?"

- Prevention and Diversion
- Housing for Extremely Low-Income community members
- Employment and education services
- Homeless Response Services
- Housing Vouchers
- Rapid Rehousing Funds and Supports
- Permanent Supportive Housing

- Transitional Supports (Re-Entry)
- Infrastructure and Data Support
- Housing Opportunity Through Available Housing Stock

Mr. Wilson informed that prevention and diversion programs were highly successful but ran out of money each year. He emphasized that it was much easier to prevent homelessness than to treat homelessness; and the longer a person was without a home, the more ancillary problems arose. He discussed the importance of increasing resources in rural areas. He referenced the heat maps in prior slides and the complete lack of services and overcrowding in certain areas.

[10:02:46 AM](#)

MIKE ABBOTT, CHIEF EXECUTIVE OFFICER, ALASKA MENTAL HEALTH TRUST AUTHORITY, introduced himself. He noted that his remarks would be brief and wanted to inform as to why the Alaska Mental Health Trust Authority (AMHTA) was interested in the topic of housing and homelessness. He stated that virtually all of Alaska's homeless population were also trust beneficiaries. The trust assumed that everyone that had struggled with homelessness over a significant period of time had: a serious mental illness, a developmental disability, a traumatic brain injury, Alzheimer's or some form of dementia, or a substance abuse issue. Among the chronically homeless in the state, there was the greatest convergence of co-occurring conditions that would make them trust beneficiaries. Other factors included economics, family circumstances, and relationship challenges.

Mr. Abbott continued his remarks, noting that if individuals found themselves in the condition of not being able to provide housing, there was typically existing conditions that qualified the individual as a trust beneficiary. Over the previous ten years, the trust had been an active participant in supporting a variety of housing interventions to address the conditions that beneficiaries experienced. He relayed that the trust was an active funder and willing advocate for programmatic solutions. The trust partnered with the coalitions as well as AHFC.

[10:06:18 AM](#)

Mr. Abbott continued his remarks. He informed that AMHTA had begun funding for staff in local governments to work to create local solutions to address homelessness. In Juneau, Fairbanks, and Anchorage; AMHTA funded staff in the office of the mayor or city manager to work on the issues from a local level. He was happy to answer questions on the role of the trust. He stated that in FY 19, AMHTA funding for a variety housing-related programmatic work was between \$3 million and \$3.5 million.

Co-Chair Stedman asked if the trust had any assistance in the Alaska Pioneer Homes system.

Mr. Abbott answered in the affirmative. He expanded that the trust was currently funding a variety of projects supporting the Pioneer Homes operations. He mentioned the reopening of part of the Anchorage Pioneer Home to address Alaskans with particularly serious dementia and Alzheimer's-related concerns.

Senator Wilson thought Premera Blue Cross Insurance had announced its involvement in wanting to fund homelessness efforts. He wondered if the trust had partnered with the agency to best utilize the funds for the state.

Mr. Abbot answered in the affirmative. He stated that the Rasmuson Foundation would be an excellent source of additional information on the topic. The trust was gratified that Premera had expressed a willingness to work on homelessness and the insurance company was considering a variety of funding proposals. He was aware that the company had made several specific grants to different housing projects in Alaska.

[10:09:10 AM](#)

Co-Chair von Imhof referenced an earlier slide that showed Karluk Manor in downtown Anchorage. She inquired about proposals to build a second similar Karluk Manor in Anchorage and asked about obstacles that might be facing the project.

Mr. Abbot stated that Anchorage had between 200 and 250 units of permanent supportive housing, most of which was in single-site facilities. He mentioned other facilities in the municipality and thought most were in downtown and North Anchorage. He shared that there were significant

neighborhood concerns relating to the location of permanent supportive housing projects. The Fairview neighborhood had found its concerns to be mostly addressed by the operator of the facility as well as the support entities that worked with the facility. It was found that there was a reduction in the impacts that the housed individuals had caused in the neighborhoods. He thought most neighborhoods recognized the benefits of permanent supportive housing. He thought the people in downtown hoped that future investments in permanent supportive housing would take place in other neighborhoods.

Mr. Abbot continued that the United Way was planning to roughly double the capacity of the permanent supportive housing in Anchorage. The first investment that the trust was funding was a scattered-site model, whereby permanent supportive housing would be provided in rental housing scattered throughout the community. Instead of having the support system on-site, the services would be mobile and would have to go to the clients. In addition, there would have to be a variety of landlord supports.

[10:12:31 AM](#)

BRYAN BUTCHER, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR, ALASKA HOUSING FINANCE CORPORATION, DEPARTMENT OF REVENUE, introduced himself. He clarified that HUD's definition of severe overcrowding was 1.5 individuals per room of a house. He stated that AHFC continued to focus a lot more on the issue of overcrowding in rural Alaska. The trust would be funding a position focused specifically on rural homelessness. He discussed the different ways homelessness could manifest and mentioned the challenges and health challenges of overcrowding.

He discussed the presentation "Initiatives on Housing & Homelessness" (copy on file).

Mr. Butcher turned to slide 2, "How AHFC addresses homelessness":

- People Served
- Prevention
- Homeless Assistance
- Housing Production
- Partners in Housing Programs
- New Initiatives

Mr. Butcher noted that it was the cheapest and healthiest to prevent homelessness rather than address it after the fact.

[10:15:01 AM](#)

Mr. Butcher showed slide 3, "People Served":

- In SFY 2018 approximately 14,700 Alaskans experienced or were at risk of homelessness and received assistance from AHFC.
 - 1 in every 10 homeless are chronically homeless.
 - 1 in every 10 homeless are victims of domestic violence.
 - 3 in every 10 homeless are families with children.

(AKHMIS data 2018)

Mr. Butcher pointed out that the number depicted not only those that experienced homelessness but also those at risk. He thought Mr. Wilson did a good job pointing out that homelessness was more than one issue. He discussed the rates of families with children experiencing homelessness.

Mr. Butcher reviewed slide 4, "Prevention":

- Rental assistance to 6,602 low income households (13,350 people) of which two thirds are either seniors, children or people with disabilities
- Set aside housing vouchers for vulnerable families/individuals

Mr. Butcher noted that AHFC had about 1,600 public housing units statewide, and about 5,000 housing choice vouchers. He noted that the vouchers were federally funded and administered by AHFC for HUD. There was a specific voucher program for victims of domestic violence, as well as for foster children; which was in AHFC's capital request.

Mr. Butcher showed slide 5, "Prevention - Persons Served by Public Housing," which showed a pie chart. Over 80 percent of individuals were at 30 percent of median income or

under. The extremely low-income population was close to homelessness and would be so without a voucher.

[10:19:08 AM](#)

Mr. Butcher addressed slide 6, "Homeless Assistance":

AHFC administers a mix of federal and state homeless programs to support 13 communities through 38 nonprofit partners.

- Permanent Supported Housing
- Rapid Re-housing
- Emergency Shelters

Mr. Butcher thought rapid rehousing was the greatest return on investment to helping people say out of homelessness. He stated that AHFC also funded emergency shelters through the capital budget; and the vast majority of the funds went towards operating funds for homeless shelters and domestic violence shelters.

Mr. Butcher showed slide 7, "Homeless Assistance":

- Direct rental assistance to partners supplying housing to at-risk populations
- Construction and operating grants for developing safe, quality and affordable housing

Mr. Butcher referenced conversation with Co-Chair von Imhof pertaining to providing a snapshot of housing development in rural Alaska. He stated that AHFC had focused on increasing the amount of housing options available. He discussed the high cost in urban Alaska and even higher cost in rural Alaska. He noted that most new housing being built was being built by regional housing authorities that received money from HUD and supplemental funds from AHFC.

Mr. Butcher reviewed slide 8, "Housing Production: AHFC Funded Properties":

Urban and Rural: All Programs

- 125 Communities Served
- 365 Properties Funded
- 7,115 Units Built

Rural Housing: All Programs

- 105 Communities Served
- 121 Properties Funded
- 470 Rural Professional Units
- 827 Affordable, Senior and Special Needs Units

Mr. Butcher noted that the properties listed on the slide had been funding by AHFC or funded in large part by federal low-income housing tax credits run by the Internal Revenue Service and administered by AHFC. The slide also showed a pie chart illustrating the distribution of AHFC properties funded in urban and rural areas.

Senator Olson considered the number of communities served in rural Alaska and asked about the distribution.

Mr. Butcher noted that AHFC primarily served communities in Northern Alaska and Western Alaska, but also in Southeast Alaska. He offered to get the committee a list of communities served.

Senator Olson asked if there was any service in Southwest Alaska.

Mr. Butcher answered in the affirmative.

[10:23:08 AM](#)

Mr. Butcher addressed slide 9, "Housing Production: Rural Teacher Housing":

- Quick Facts:
 - 48 Sponsors
 - 86 Communities
 - 121 Properties Built
 - 470 Units Funded
- Program Partners
 - Rasmuson Foundation (2015 - Present)
 - Denali Commission (2004-2009)

Mr. Butcher noted that AHFC's rural Teacher Housing Program started 15 years previously. The program was developed to attract teachers to stay in rural communities. He noted that the program had been expanded to house healthcare professionals and public safety professionals and freed up other housing in the community.

Mr. Butcher discussed slide 10, "Housing Construction in Communities":

- 2018
 - 130 new construction
 - 139 rehabs
 - Total Project costs
 - HUD = \$20,589,602
 - AHFC Supplemental = \$3,430,429
- 2017
 - 77 new construction
 - 155 rehabs
 - Total Project costs
 - HUD = \$13,679,364
 - AHFC Supplemental = \$2,250,000

Mr. Butcher noted that the map on the slide showed housing construction that was happening in the state. He discussed the quality of housing in the state, specifically in rural Alaska. He informed that the weatherization program that AHFC administered had played a role in improving and extending the life of housing. It was estimated that the number of units needed to keep up with growth in certain areas was in the 1000s.

Mr. Butcher spoke to slide 11, "Partners in Housing Programs":

- Rasmuson Foundation
 - Alaska Mental Health Trust Authority*
 - Department of Health and Social Services*
 - Department of Corrections
 - Alaska Council on the Homeless
 - Association of Alaskan Housing Authorities
- *Denotes funding partner in programs managed by AHFC

Mr. Butcher commented that AHFC had worked hard to bring in partners and experts in the field. He mentioned the program for vouchers for victims of domestic violence, and AHFC's partnership with shelters.

[10:27:14 AM](#)

Mr. Butcher discussed slide 12, "Housing Needs":

- 16,107 units are needed to alleviate overcrowding.
- 2,066 additional units per year are needed to meet the housing demand from population growth and alleviate overcrowding by 2025.

Mr. Butcher spoke to slide 13, "New initiatives":

- Creation of a Statewide Homeless Housing Office to provide partners statewide with easy access to information about homeless housing resources
- Special Purpose Funding Round
- Dedicated Supportive Housing funds for rural communities

Mr. Butcher explained that the Statewide Homeless Housing Office could be reached by phone or internet. He discussed the additional hardship of those without resources. He discussed tax credits that supported permanent supportive housing awarded to Juneau and Wasilla. There was also a pilot project in Nome. He stated that it was difficult in rural Alaska to bring services to a smaller regional hub. He was confident that the pilot program would be successful.

Co-Chair von Imhof asked about slide 10 and asked if there was a different scenario the housing construction was on the same pace as the previous two years, or if there would be a different trajectory for 2019.

Mr. Butcher relayed that construction would stay about the same for 2019. The HUD funds that had been coming to regional housing authorities had stayed at the same level for well over a decade.

[10:30:38 AM](#)

Mr. Mandsager spoke to the presentation "Conclusions" (copy on file). He addressed slide 1:

- Homelessness should be rare, brief and one-time
 - Alaska can be a community where this is our norm
 - This requires partnership of government (federal, state, and local), private funders, local citizens and faith communities
- With a home:
 - Educational success is better

- Growth and development for our kids is better
- Recidivism to prison is less
- Job success is better
- Community well-being is better (safer trails, etc.)
- Lower community costs for police, healthcare, EMS, prisons, etc.

Mr. Mandsager asserted that the national and state conversations around homelessness had been goal centered. He argued that it should be an aspirational goal of the state to have homelessness be rare, brief, and one-time.

Mr. Mandsager discussed housing efforts and noted that there were multiple funders besides government that contributed. He emphasized the connection to homelessness and public safety. He referenced studies that showed that housing reduced recidivism. He argued that housing needed to be considered in discussions around public safety in order to have a healthier community. He discussed the effect of homelessness on education and efforts to keep kids from changing schools.

[10:35:13 AM](#)

Mr. Mandsager addressed slide 2, "Conclusions":

- Why is reducing homelessness such an important priority?
- We are at crisis level in most Alaska communities.
- Working as separate systems (healthcare, housing, police, corrections, etc.) isn't working well enough; we need a much more integrated and wholistic approach.
- Because of the many and varied root causes, virtually none of the challenges in our communities are solvable without addressing the homelessness component to that issue.

Mr. Mandsager asserted that housing and healthcare were interrelated, as well as police and corrections.

Senator Micciche did not know what proportion of homelessness had a correlation to Adverse Childhood Experiences (ACES) in the state. He mentioned early intervention and the importance of breaking the cycle. He wondered about advocacy and how it could collide with being

enabling. He asked what kind of efforts were in place to reduce ACES impacts on Alaskans.

Mr. Mandsager thought Senator Micciche had identified the most important question about the next generation. It was known that children that experienced ACES had a higher likelihood of poor outcomes. He thought addressing the matter early was important. He spoke to the complexity of the problem. He referenced the Bible.

Mr. Mandsager addressed slide 3, "Recommendations":

- AHFC services and programs are essential and require at least as much funding as presently exists.
- More housing creation and maintenance is needed all over our state
- Mental health services and substance abuse disorder treatment are also essential and more services and service locations are needed
- Medicaid is a key structural component for mental health treatment, substance abuse disorder treatment and for some of the support services needed by the most vulnerable people; if we want to keep them housed. Don't reduce this coverage provided by Medicaid

Mr. Mandsager mentioned a proposed alcohol tax in Anchorage as a funding mechanism for increased substance abuse treatment. He mentioned Medicaid as a key structural component and key supportive services.

[10:39:19 AM](#)

Mr. Mandsager turned to slide 4, "Recommendations, continued":

- We have an opportunity to test "pay for performance" in the "Pay for Success" pilot in Anchorage. We propose \$4.5 million (matched by \$3.5 million per year for 3 years from other funders) to be set aside for matching and for outcomes
- We encourage regular dialogue regarding homelessness, you should expect improvements and expect data

Mr. Mandsager addressed the first bullet point on the slide and noted that the concept of "pay for performance" had

first been introduced in England and was now being tested across the country. He encouraged regular dialogue on the topic of homelessness. He quoted an ancient Hebrew prophet Micah, "Love mercy, do justice, and walk humbly with your God."

[10:42:05 AM](#)

Co-Chair von Imhof thanked the presenters. She thought the presentation had been informative and eye-opening. She thanked the committee members. She reminded that the governor's proposed budget would be revealed the following day, and there had been forewarning that there would be significant reductions in government. She thought it was important to allocate funds to the highest priorities and areas where the state could get the most benefit. She thought the presentation had illuminated that with a home, educational success was better. She listed improvements that could be made by investing in providing housing. She thought the presenters had made the case that investing in homes was the highest and best use of state dollars.

Co-Chair Stedman discussed the agenda for the following day.

#

ADJOURNMENT

[10:44:10 AM](#)

The meeting was adjourned at 10:44 a.m.