

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7344 SENATE COMMUNITY & REGIONAL AFFAIRS

RECOMMENDATIONS FOR IMMEDIATE ACTION (within the next 60 days)

EMERGENCY SHELTERS

- The Municipality should determine which minimum fire and life safety criteria must be met and which could be waived so that emergency housing can be provided when needed. This could allow churches, schools, homes, and other public and private buildings to be used as emergency shelters. Criteria for the various subgroups within the homeless population must be determined. Such subgroups include but are not limited to single men, single women, single parents with children, families, youth, the elderly, the disabled, alcohol and other drug users and abusers, the chronically and seriously mentally ill.
- It must be determined how much more emergency shelter space is required for each subgroup within the homeless population now and projected into the future; also, what is or could be made available to meet those needs on a short-term basis.

LOW-COST HOUSING

- It is critical that the Municipality immediately encourage H.U.D. Secretary Kemp to raise the fair market rent limits for Section 8 Certificates in Anchorage. Landlords should be encouraged to accept the Certificates for both family and individual housing units.

COMMUNITY RESOURCES/INVOLVEMENT

- A 24-hour "Homeless Hot-Line" should be established within an existing agency so that 1) individuals in need of emergency shelter or low-cost housing will have a central place to call to receive up-to-date information about where available housing is located; 2) landlords will have a central place where they can list available shelter spaces or housing units; and 3) private citizens can list any available space in their homes. The Hot-Line phone number should be easy to remember and it should be widely publicized.
- Existing volunteer coordinating efforts should be expanded to include homeless issues, so that private citizens can volunteer to be on call to provide services to homeless and low-income people as needed. Such services might include transportation to job interviews or medical appointments, or the provision of clothing, food or shelter.
- The Anchorage School District should immediately implement the AVAIL program. This non-traditional high school program is for homeless "street kids," to encourage them to complete high school so that their chances of securing meaningful employment and becoming financially independent are increased.
- The Municipality should encourage and/or convene a meeting of the Alaska State Housing Authority, Alaska Housing Finance Corporation, H.U.D., Neighborhood Housing Services, banking institutions, insurance agencies, landlord associations, homebuilders associations, and other public and private agencies to discuss viable financing options for the renovation, rehabilitation, and construction and provision of emergency shelters, transitional housing, supportive housing, and low-cost housing.

CHURCH AND COMMUNITY INVOLVEMENT

- Churches and religious and civic organizations are a good source of volunteers for working with homeless individuals and families, and may be a source of housing. These groups should be invited to participate in helping to solve the problems of the homeless; they should be given a list of specific ways in which they could contribute, i.e., by mentoring, providing emergency shelter for the homeless, or providing counseling services.

- A survey should be taken to determine what services are already being provided in the community for the homeless, and that information should be disseminated widely.

FINANCIAL ISSUES

- The Municipality should encourage hotel and motel operators to provide short-term housing for the homeless on an as-needed and as-available basis at reduced rates.

- The Municipality should consider waiving the bed tax on those occasions when local hotel and motel operators offer housing for the homeless at free or reduced rates.

- The Municipality should encourage the development of an "Inn-Keepers Fund" to help offset the difference between what an individual can afford to pay and agreed-upon reduced hotel/motel room rates. Donations from the private sector should be solicited for this fund, and the fund should be administered by the Anchorage Daily News' Neighbor to Neighbor Fund, the Homeless Coalition, United Way, or other qualified agency.

- The Mayor and Assembly should actively lobby the Governor and Legislature to restore the full Social Services Block Grant funding through a supplemental appropriation, and to continue full SSBG funding in the future. This would allow social service agencies to continue providing needed services to the homeless and other low-income people.

TRANSPORTATION FOR THE HOMELESS

- The Municipality should explore various methods by which homeless people can receive free or reduced-cost local transportation to available lodging, medical appointments, job interviews, etc. This might include the distribution of more free bus passes, or reimbursement for the use of taxis or private vehicles.

SHORT-TERM RECOMMENDATIONS (within 60 - 180 days)

EMERGENCY SHELTERS

- Determine what is or could be made available to meet the projected needs for emergency shelter space by the various subgroups of the homeless population next winter and into the future. Such subgroups include but are not limited to single men, single women, single parents with children, families, youth, the elderly, the disabled, alcohol and other drug users and abusers, the chronically and seriously mentally ill.

TRANSITIONAL HOUSING

- Determine how much and what kind of transitional housing is needed for each subgroup within the homeless population. Determine what is or could be made available to meet these needs on a short-term and long-term basis. Abandoned buildings which have been closed because of minor building code violations or other reasons but which could be used to provide housing if they were made habitable should be included in this inventory; reasons for closure should be noted.
- Determine how many of the existing spaces in emergency shelters are filled by people who use the shelters as long-term housing because of the current lack of transitional or low-cost permanent housing.

SUPPORTIVE HOUSING

- Determine how much and what kind of supportive housing is needed for each subgroup within the homeless population. Determine what is or could be made available to meet these needs on a short-term and long-term basis. Abandoned buildings which have been closed because of minor building code violations or other reasons but which could be used to provide housing if they were made habitable should be included in this inventory; reasons for closure should be noted.

LOW-COST HOUSING

- Determine how much and what kind of low-cost housing is needed for each subgroup within the homeless population. Determine what is or could be made available to meet these needs on a short-term and long-term basis. Abandoned buildings which have been closed because of minor building code violations or other reasons but which could be used to provide housing if they were made habitable should be included in this inventory; reasons for closure should be noted.

COMMUNITY RESOURCES/INVOLVEMENT

- During the current housing crisis, the Municipality should assume an oversight/coordination role to bring together various agencies in the community which are offering or could offer services to the homeless and near-homeless, to ensure that all that can be done, is being done.

- The Municipality should sponsor a workshop to which representatives are invited from potentially involved public and private agencies, such as H.U.D., Alaskans Care, the Alaska Youth and Parent Foundation, Jack's Place, churches, the university, etc. The purpose of this workshop would be to encourage their participation in sponsoring transitional and low-cost housing such as the H.U.D. \$1/year housing rental program, and the provision of related support services to those so housed.
- All area churches, religious and civic organizations should be sent a letter listing agencies and programs, both public and private, which are available to help those in need.
- The Municipality should convene a meeting of all regulatory and approval agencies to identify and remove barriers which might otherwise prevent the construction or maintenance of low-cost housing units. Representatives from the financial and insurance industries should also be included.
- The Municipality should help link needs with services and should provide service providers with information about available resources.
- The "Homeless Hot Line" should be placed in a physical location that has walk-in accessibility to the homeless.

FINANCIAL ISSUES

- The Mayor and Assembly should consider tax and other incentives, such as the provision of land, which would encourage landlords and developers to provide low-cost housing, both in the form of family units and single-room-occupancy units.
- The Municipality should support funding requests to ASHA and other agencies and institutions made by public and private agencies to provide housing for homeless and low-income people.
- Local banks should be encouraged to address Anchorage's emergency shelter and low-cost housing challenges in their programs to comply with the Community Reinvestment Act.
- The Municipality should actively lobby the Governor and Legislature to continue and increase funding statewide to provide health and human services to homeless and low-income people.

TRANSPORTATION FOR THE HOMELESS

- The airlines and National Guard should be encouraged to provide return transportation to their hometowns for patients and their families who are brought to Anchorage at government expense for medical care. Such transportation should be provided at free or reduced fares. The Association for Stranded Rural Alaskans in Anchorage's (ASRAA's) efforts in this regard should be supported, and Native Corporations and the Indian Health Service should be encouraged to further underwrite these return transportation costs.

LONG-TERM RECOMMENDATIONS (180+ days)

EMERGENCY SHELTERS

- In addition to the provision of emergency shelters where people can sleep at night, additional indoor space is needed where homeless people can spend time during the day. The provision of such facilities should be encouraged.

COMMUNITY RESOURCES/INVOLVEMENT

- Existing volunteer coordinating efforts should expand to include homeless issues, so that private citizens can volunteer to be on call to provide services to homeless and low-income people as needed; such services might include transportation to job interviews or medical appointments, or the provision of clothing, food or shelter.
- The Municipality should continue to help link needs with available services in the community, and should help service providers obtain information about available resources.
- The Municipality should encourage, support and collaborate with community agencies which provide counseling, financial counseling, medical and social services to low-income people so that they will not become homeless.
- The Municipality should encourage the provision and accessibility of literacy programs, job training and job seeking skills training, and counseling services to homeless and low-income people.

CHURCH AND CIVIC INVOLVEMENT

- Churches and religious organizations should be encouraged to provide or continue providing services to help resolve the problems of the homeless and near-homeless.
- Civic organizations should be encouraged to provide continuing services to help resolve the problems of the homeless and near-homeless.

FINANCIAL ISSUES

- The Municipality should support funding requests to ASHA and other agencies and institutions made by public and private agencies to provide housing for homeless and low-income people.
- The Municipality should provide tax and other incentives, including the provision of land, to landlords and developers who provide emergency shelter, transitional housing, supportive housing and low-cost housing, both in the form of family units and single-room-occupancy housing.
- The Municipality should lobby the Governor and Legislature to provide full funding for the Social Services Block Grant Program in FY 92.

- In the best interest of the Municipality, a fair settlement of the Alaska Mental Health Enabling Act litigation should be encouraged and lobbied for by the Municipality. Such a settlement must include provisions for fair compensation to the Mental Health Trust, and adequate guarantees that the Trust is enforceable and will be administered properly, including determining and meeting the necessary expenses of the mental health program. Such a settlement would help pay for needed services to homeless individuals suffering from a psychiatric illness, the mentally retarded and defective, chronic alcoholics with psychosis and senile people suffering from major mental illness.

TRANSPORTATION FOR THE HOMELESS

- The Municipality should explore and implement various methods by which homeless people can be provided with airfare to return to their homes outside of Alaska if they are left homeless in Anchorage because of lost job opportunities and have insufficient resources to afford housing here. Perhaps the establishment of a Travelers' Aid Society could be explored.

ALCOHOL AND HOMELESSNESS

- The Municipality should encourage the establishment of a sufficient number of beds in a sleep-off center to accommodate all those who need such a facility. Such a facility should offer homeless alcoholics a way out of the cycle of chemical dependence and provide the first step in a continuum of treatment opportunities.

1990 TASK FORCE ON THE HOMELESS

Rick Nerland, Chairman	274-9553 FAX 274-9990	President Nerland/Mystrom & Associates 808 E Street Anchorage, Alaska 99501
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**MUNICIPALITY OF ANCHORAGE
MAYOR'S TASK FORCE ON EMERGENCY SHELTER AND THE HOMELESS
TOM FINK, MAYOR**

SCHEDULED MEETINGS

Friday, November 16, 1990

8:30 AM - 5:00 PM Loussac Library - Assembly Chambers

Convene; receive testimony from selected agencies and the public; identify any additional information needed

Monday, November 26, 1990

1:30 PM - 4:30 PM 825 L Street - 4th Floor Conference Room

Discuss testimony and data received; begin deliberations about short-term and long-term solutions

Thursday, November 29, 1990

1:30 PM - 4:30 PM 825 L Street - 4th Floor Conference Room

Continue discussion and deliberations

Thursday, December 6, 1990

1:30 PM - 4:30 PM 341 W. Tudor - #106, United Way

Finalize findings and recommendations for submission to the Mayor

**MUNICIPALITY OF ANCHORAGE
MAYOR'S TASK FORCE ON EMERGENCY SHELTER AND THE HOMELESS
TOM FINK, MAYOR**

**FRIDAY, NOVEMBER 16, 1990
9:00 AM - 5:00 PM
LOUSSAC LIBRARY - ASSEMBLY CHAMBERS**

AGENDA

MORNING

- 9:00 Mayor Tom Fink - Charge to the Task Force
Robert A. (Bert) Hall - Overview/History and Rationale
for the Municipality's Involvement
Rick Nerland, Task Force Chair - Introductory Remarks
Brother Francis Shelter and Bean's Cafe
- 9:35 Chief of Police
- 9:40 Department of Corrections - 6th Avenue Jail
- 9:45 Salvation Army
- 9:55 Clare House
- 10:05 MOA Emergency Services / Interfaith Clearinghouse
- 10:15 AWAIC Battered Women's Shelter
- 10:25 Veteran's Administration
- 10:35 BREAK
- 10:45 Fairview Community Council
- 10:55 Southcentral Counseling Center Crossover House
- 11:05 Alaska Psychiatric Institute
- 11:15 Association for Stranded Rural Alaskans in Anchorage
- 11:25 Jack's Place
- 11:35 Abbott Loop Christian Center/Anchorage Baptist Temple
- 11:45 Anchorage Rescue Mission
- 11:55 LUNCH BREAK

AFTERNOON

- 12:30 Covenant House
- 12:40 Alaska Youth and Parent Foundation
- 12:50 Alaskans Care
- 1:00 Coalition for the Homeless
- 1:10 Alaska State Housing Authority
- 1:20 Alaska Housing Finance Corporation
- 1:30 Housing and Urban Development
- 1:40 Anchorage Neighborhood Housing Services
- 1:50 Alaska Women's Resource Center
- 2:00 United Way of Anchorage
- 2:10 Fairview Community Council
- 2:20 BREAK
- 2:35 Cook Inlet Tribal Council
- 2:45 Open period for additional testimony
- 3:30 Task Force meeting

**MANAGEMENT SUMMARY OF TESTIMONY
MAYOR'S TASK FORCE ON EMERGENCY SHELTER AND THE HOMELESS
FRIDAY, NOVEMBER 16, 1990
ASSEMBLY CHAMBERS, LOUSSAC LIBRARY, ANCHORAGE, ALASKA
prepared by Fred Jenkins, United Way**

1. MAYOR'S COMMENTS

Thank you for serving on such short notice. This is a big problem both as it presents itself and as a challenge to find solutions. Your status is important because we want your recommendations to carry weight. I and the Assembly are looking forward to receiving your report. We want you to sift out remarks and give us an answer on how to move within the next thirty days.

2. TASK FORCE CHAIR COMMENTS

Purpose of today is to listen, learn and be in a mode of intake. Subsequently, we will be attempting to bring consensus of the task force to this issue. As testimony is given, each panel member is asked to delineate five or six main points that are critical issues that are important to address.

**3. BROTHER FRANCIS SHELTER (BFS)
STATISTICS INCLUDED IN APPENDIX
(BOB EYTON AND DONNELL POLK)**

Homeless are individuals who are temporarily or permanently without a home for whatever reasons or circumstances. I estimate 70% of BFS clients suffer from addictions of one kind or another. We serve approximately 270 clients of whom most are single, 90% are male and 10% female. Women will be shifted to Bean's Cafe from December through February this year. We try not to turn people away nor limit their length of stay. Long term solutions are transitional living arrangements and liveable, low income housing. 25-30% of BFS clients could pay if low-income housing was available. Disparity of marginal incomes with current rental market keep housing out of reach for many.

I have three statements to offer:

- 1) Look for progress, not perfection
- 2) There is no perfect solution
- 3) There is no single answer or solution

**4. BEAN'S CAFE
(MAGGIE CAREY)**

Bean's Cafe clients include those in marginal housing, CMI's, marginally employed, job seekers new to Anchorage (recently noted increase of white casual laborers), and a core of chronic substance abusers. Increases in rental costs have increased numbers at Bean's. Block grant veto has affected ability to serve clients. We are groaning under the pressure of a lack of services to buffer us. Bean's opened in 1979. In 1985, we served average of 385 meals in

a day. In 1990, we served 393 at one recent meal. We are comitted to turning no one away. We are the last line of defense for folks. With no relief, we may have to turn people away in January. Our facility also serves as a day shelter. We have agreed to shelter 40-50 women in night shelter to ease pressure on BFS. About 33% of our clients make use of our voluntary social service referral service.

**5. ANCHORAGE POLICE DEPARTMENT (APD)
(CHIEF KEVIN O'LEARY)**

APD is the final safety net. If Community Service Patrol is not available, which is often the case, complex and time-consuming multiple transports by patrol officers are required trying to find a proper resource for a homeless or inebriate. Not all homeless are inebriates. Inadequate laws and inadequate facilities exemplify the fact that there is no plan to deal with these problems. Where do these people go in the daytime? We need more than housing. We need an economic infrastructure that can absorb the unemployed. 70% of total APD responses involve drugs/alcohol. Last year over 6,000 individuals were transported by APD.

**6. SIXTH AVENUE CORRECTIONAL CENTER
(SUPERINTENDENT PAUL WEBB)**

Over last 12 months, we have housed 600 people brought to us under Section VIII of the Alaska Statutes which states that a person may be housed in a correctional facility for a period of up to 12 hours as a place of last resort. With no adequate detox center available, APD brings inebriates to us. Some individuals also commit crimes in order to have a place to sleep. Heaviest period of intake for Section VIII is from 11:00 PM to 5:00 AM. This takes incredible medical and corrections staff time. Average length of stay is 6 or 7 hours. Current capacity is 104 beds (recently reduced from 128 because of Cleary Case re: overcrowding lawsuit brought by inmates). Section VIII's take up an average of 5% of space or 5-6 beds. We need to increase bed space in jail, increase available housing, and employment opportunities. We have no employment training programs in my facility.

**7. SALVATION ARMY
CAPTAIN BOB ANDERSON**

The homeless we serve are men, women, and children in crisis with nowhere to turn. They include chronic travelers with chronic problems, double diagnosed mentally ill, substance abusers, single women on AFDC who cannot afford housing when welfare eligibility excludes males from the household, aged unable to manage on fixed incomes, marginally employable with no transportation, functionally illiterate. 40-60% are second generation chemically dependent with third generation children at risk for the same. Every night, the SA houses over 300 people including 58 men at the Adult Rehab Program, families at McKinnel House, and inebriates in detox. Solutions include quickly stabilizing homeless families and

providing transitional housing for 6-8 months. We should manage funds received by clients to help them build trust accounts for transition to low income residences. Our local churches need to become more involved with the homeless.

**8. CLARE HOUSE
STATISTICS INCLUDED IN APPENDIX
(MAUREEN DURSI)**

We provide 24-hour a day emergency shelter recently housing over 40 women and children in a 4,000 square foot house with a total of 6 employees staffing 3 shifts per day, 365 days per year. Also provide food, clothing, essential items as well as casework assistance for accessing housing, jobs, medical services, counseling, etc. Residents are not street people or inebriates; they are "normal" people who have lost their housing. Average length of stay - 15 days. Can stay up to 30 days. In September we turned away 24 women and 47 children; in October turned away 12 women and 48 children. Reasons for homelessness include economics and dysfunctions including domestic violence, CMI, pregnancy, disabilities, substance abuse.

Immediate actions: reinstate Clare House vetoed capital funds; increase Clare House staffing; increase number of ASHA housing units and improve case management at ASHA to reduce wait list and at Public Assistance to reduce the number of evictions.

Long term actions: transitional housing, early intervention teams to prevent homelessness, affordable child care, life skills curriculum in schools.

**9. MUNICIPALITY OF ANCHORAGE EMERGENCY SERVICES
STATISTICS INCLUDED IN APPENDIX
(JOYCE LEE)**

JOYCE ALSO REPRESENTS INTERFAITH CLEARING HOUSE

A. MOA Emergency Services

We cannot bunch the homeless into one category. Our profile includes men and women, temporarily disabled, individuals with chronic problems, single parent families, and native Alaskans in transition. Many of the clients seen by Emergency Services are those who have come to Alaska seeking jobs or who arrived to an unfulfilled promise of a job. Some are unable to process welfare paperwork or create a household budget. Factors that exacerbate homelessness include recent demolition of low cost housing, increased rents, unrealistic expectations created Outside regarding permanent dividend checks, opening of ANWR and the natural gas pipeline. Immediate responses should be one additional emergency shelter, transitional housing, additional money to subsidize hotel rooms, transportation funds to subsidize homeless who have homes to return to Outside. Long term responses should include life skills training, training in how to find and keep a job, training

on how to be a good tenant, and provision of one month's rent following successful completion of training programs.

B. Interfaith Clearinghouse

A coalition of churches in the community that networks with community social services to provide basic human needs not covered by existing programs. Will provide a "back-up" system. Expecting program to start up by January, 1991, with \$20,000 grant recently received.

10. ABUSED WOMEN'S AID IN CRISIS SHELTER (AWAIC) (NANCY SCHEETZ-FREYMILLER)

Homeless include four categories:

1. Alcohol related at bottom with no available center for treatment.
2. Deinstitutionalized mentally ill.
3. Those with run of bad luck and no family or resources.
4. Victims of hurt and pain (domestic violence/runaways)

AWAIC sees domestic violence victims. Client services are at same level of "boom years" and peaked in August with 67 women and children in our 52-bed shelter. Present average is 30-40 women and children which is 27% increase over 1989. Estimate 40% of AWAIC clients seek new housing. Shelter stays are increasing in length due to dwindling available housing.

Immediate solution should be development of formalized assessment system to determine nature and severity of homeless individuals' problems. Long term solution is a comprehensive service system that includes referral, treatment and followthrough based on assessment of problems. Specifically, low income housing, detox treatment combined with job training/placement, transitional housing with support services, housing to include SRO/small apartments/1-3 bedroom apartments for families.

Obstacle to housing is unwillingness of landlords to rent to welfare recipients. I know of exciting low income and transitional housing programs Outside. I would like to be involved in finding solutions.

11. DEPARTMENT OF VETERAN'S AFFAIRS (ELAINE CHRISTIAN)

Elaine preceded her comments with a disclaimer that she is speaking as a private citizen and not necessarily representing the VA's views. Local statistics: 60% of white males in shelters are veterans; 45% of Alaska Native males in shelters are veterans. Alaska has highest number of veterans per capita in U.S. 80% of veterans in Alaska have a mental illness or are dually diagnosed with a substance abuse problem. Most veterans in Alaska plan to stay in the state. About 30% of all veterans will never become independent.

Causes include loss of low income housing, unemployment, non-transferable military skills, decline in value of public assistance payments, reduction in length of hospital stays, increased rents.

Immediate action: Meet basic human needs, promote social re-affiliation, provide transitional support services, adequate health care, outreach to promote early intervention that prevents shelterization syndrome of withdrawal and apathy. Need one agency to develop comprehensive, wholistic service plan for individuals. Services must be time intensive.

Long term solutions: Continuum of social service and housing programs for those willing to end their homelessness; and subsistence services for those not ready or able to participate in advanced programs.

12. FAIRVIEW COMMUNITY COUNCIL (CELESTE BENSON, EDDIE BURSE)

The future of this issue has been a concern for many years as the area impacted has grown from a tiny component at Ship Creek to a community wide problem today. Fairview feels its way of life is being threatened by the decay that comes with poverty. The basis for our refusal to accommodate a public inebriate center over the past few years has been based on the manner in which the problem has been approached. Alaska Medical Services, Inc., a non-profit has come forward with a concept for a multipurpose homeless service center. This center could be sited on land adjacent to the present BFS/Bean's campus that already has utilities and foundation for a structure that was originally designated for another purpose related to the Alaska Native Medical Center. The center would provide comprehensive services, would be self-supporting from funds provided by facility-based agencies, and would be managed by a Fairview Community-based Board. Capital funding should come from the state. If the Muni commits to this approach, Fairview would agree to site temporary trailers in the area to provide services during construction phase.

13. CROSSOVER HOUSE - SOUTHCENTRAL COUNSELING CENTER (JOHN BAJOWSKI)

Crossover House serves the seriously mentally ill (SMI) segment of the homeless population. The Anchorage Comprehensive Homeless Assistance Plan estimates there are 400 homeless seriously mentally ill in Anchorage. This is probably a very low estimate since it assumes only 10% of the Anchorage homeless population whereas national estimates place the percentage at 33%, which is more accurate for Anchorage. The homeless seriously mentally ill should also include individuals who may have somewhere to sleep tonight but may not have a permanent place, includes those in transitional programs, supported housing such as board and care facilities, and adult foster care. Causes of homelessness among this population include nature of the illness that can cause isolation,

estrangement, refusal to comply with treatment or take medication, substance abuse, and inability to function in or qualify for existing service settings. Treatment usually requires diagnosis which may be difficult to achieve without cooperation of client.

Approximately 200 SMI have been placed in independent and semi-independent living arrangements in Anchorage. There is a 40 to 1 client/staff ratio.

For this population, housing and support continuum is incomplete and inadequate to meet need. Immediate need for single room occupancy and more residential and case management services. Long term need is to develop economic incentives for neighborhoods and landlords to view this population as viable tenants. Also may need revision of statutes to allow community intervention prior to institutionalization. Failure to intervene can further disenfranchise SMI by lengthening institutionalization. Our society needs to adjust our expectations to a higher degree of tolerance for seriously mentally ill.

14. ALASKA PSYCHIATRIC INSTITUTE (API) (CAROL NISSEN)

Deinstitutionalization movement initiated 25 years ago also limited commitment laws. Thus, those who need institutionalization the most are often not required to get help. Nor do many of them want help. Their refusal comes in part from the nature or symptoms of their illness: grandiose thinking, delusions of invincibility, paranoid schizophrenia. API is often called upon to assist with the homeless. However, we operate in very narrow legal constraints that prohibit providing simple shelter. We attempt to cooperate by networking with other service providers and to lobby for increased services.

Immediate action needed to expand support of current programs. Need to provide more secure settings for substance abusers and detox clients who do not meet criteria for institutionalization or incarceration. The homeless deserve more advocacy from the community. Society will not be served by ignoring this population and we certainly will not avoid future problems by ignoring what exists now.

15. ASSOCIATION FOR STRANDED RURAL ALASKANS IN ANCHORAGE (ASRAA)

Mission of ASRAA is to provide crisis intervention in the form return airfare for stranded rural Alaskans who are usually in Anchorage for medical or emergency reasons. Most have only one-way airfare, including those with government subsidized transportation. Shelter costs and in-town transportation is also provided for those without resources. These are homeless by circumstance. Last year 75% of our clients were referred by hospitals. 15% of our clients are receiving out-patient medical care. Some are domestic violence victims fleeing from rural areas for safety. Current referrals are up 25% over last year. For period July through October we served

almost double clients we served last year same period.

Social service funding should be stabilized as a predictable reality not subject to governmental whims and vetoes. Supplemental funding to address the homeless crisis should be a legislative priority. Existing emergency services should be expanded.

Long term solution should provide transitional housing to free up emergency space. Affordable low cost housing is needed to replace that which was recently demolished. ASHA needs to establish a pool of landlords willing to accept ASHA certificates for subsidized housing and overcome the resistance that exists today among some landlords. We also need to plan for the new/different housing needs that will accompany new site of Alaska Native Hospital near Tudor Road.

**16. JACK'S PLACE
(GERALD CAMERON AND BILL WILSON)**

Jack's Place has existed for 5 years. Currently serve 230 men per month with food, shelter, and sundry essentials in residences self-managed by clients. We turn away 100 men per month. Deliver about 30,000 pounds of food per month to homeless people. 60% come from jail system and 85% have a substance abuse problem. Environments leading to emotionally disability are the causes of these men's problems. It takes up to five years to fix the damage. They need to be in a family situation like the children they were never allowed to be. Each one needs a sponsor from the community who says "I love that person". We try to connect clients with AA sponsor.

Facility run by Bill is a sixplex at 323 S. Bragaw, housing 37 men with a self help program patterned after AA's twelve-step program. No grant support. Residents are billed monthly. We agree source of many of the problems is alcohol related. Most of our clients come from Brother Francis Shelter. It takes many of them 3 or more jobs to learn how to save money. Our program tries to build self-pride and self-respect which leads to respect for others. Important to let a man know that he is a man and work with him that way on an individual basis.

**17. ABBOTT LOOP CHRISTIAN CENTER
(DAN AMOS)**

Abbott Loop's HUD Program believes all groups need to work together to heal all parts of the person. Dan used to analogy of not only teaching a person to fish but making sure they can get a license to fish, i.e. comprehensive services. There are different types of needy. We see mostly the legitimate needy. Meeting physical needs is easy. Meeting emotional needs is harder. Our HUD program is home-based, self-managed by clients, one of whom acts as a "provider" in the home and acts as friend to one or two other residents in self-help environment. Their job is to find other poor persons to live in the home, love, respect clients and help them with all needs, both strategic and emotional. We also have several

support groups and lay counselors available to offer supplemental help. We incorporate an AA modality in some of our programs.

We currently have ten homes serving six people. We probably will expand no further than the current ten homes. Each home could serve approximately four to six persons.

A part of our problem is this community is in denial. The fact is when you are not around these people, the problem doesn't exist. We need to see these people.

**18. ANCHORAGE RESCUE MISSION
STATISTICS INCLUDED IN APPENDIX
(CLIFF HODGINS)**

Anchorage Rescue Mission has been serving Anchorage since 1965, meeting basic emergency food, clothing and shelter needs of the homeless. We take referrals from various agencies and have good working relationship with APD. This month we averaged 43 persons per night with a high of 54 (48 men and 6 women). Most of those we serve are male, between the age of 19-39 (average age 34), mostly white Americans, mostly unemployed.

Causes are unemployment, eviction, fire. Most appear to be marginally employable and largely for casual labor. We encourage everyone to go to job service on a daily basis.

Immediate actions we have taken is to try to finish remodeling of our new shelter facility (to include two family units) on Tudor; appeal to the Christian community to address the needs of the homeless. By January, 1991. we hope to be able to accommodate our maximum estimated capacity of 100 people.

Long term responses should include job training, family counseling, more severe consequences for drug and alcohol abuse, and less government control over private and church-related attempts to help the homeless, i.e. government funding usually restricts church-related activity.

**19. COVENANT HOUSE
EXCERPTS FROM A.V.A.I.L PROGRAM IN APPENDIX "A", PAGE #19-2
(JANE BARNES)**

For Covenant House, the homeless are youth aged 13-17 that we call runaways and youth aged 18-20 that we call homeless. Over past two years we have served 1200 youth of which 350 were 18 or older. Average age of clients is in teens. Like adult homeless, most are substance abusers, poorly educated, marginally employable, in poor health, from dysfunctional homes. They become homeless because they lack independent living skills. Shelter has capacity for 40 and currently houses 20.

1/3 of our clients go back to their home, 1/3 to semi or

independent living situation, 1/3 back to the streets. Our success rate is higher than national average, partly because we work with a younger than average population.

Immediate solutions: expedite opening of AVAIL (an open door store front school downtown). There seems to be no apparent obstacle other than School District approval. Funding may be jeopardized if program does not open soon. Restore block grant funding.

Long term solutions: Increase investment in primary and secondary prevention programs; increase transitional programs that teach independent living skills; develop a full service shelter for the homeless. Generally need more to strengthen families.

20. ALASKA YOUTH AND PARENT FOUNDATION (AYPF)

AYPF has served runaway/homeless youth since 1972. Currently we have one facility with 15 beds for state placements and 5 beds for youth not in state custody. We serve 1000 youth per year of which 250 are homeless. 90% are sexually active and drug users. AYPF recently acquired HUD homes and federal funding for transitional living and drug prevention programs for older homeless youth. Capacity is 10 beds total in new programs.

Typical profile for AYPF is 16 year old male asked to leave another shelter because of rule infractions, does not qualify for DFYS, doesn't want to go home nor does his family want him home, fatigued from life on the street, in poor physical condition, may or may not need mental health services.

Causes include lack of affordable and accessible family therapy, lack of outpatient substance abuse treatment programs, lack of alternative educational programs in Anchorage School District, lack of funding for current adolescent programs, indifference and fear from the community of adolescent homeless and cuts in shelter funding and beds.

Immediate solutions: Employ adolescents, keep them in school, quickly refer families in crisis to therapy, PR awareness campaign on plight of the homeless.

Long term solutions: Adequate funding for family and adolescent programs, alternate educational programs, clearly articulated Municipal public policy on the homeless.

21. ALASKANS CARE (RON PHILLIPS)

Alaskans Care is an organization that has access to housing but is struggling to find a sponsor that will provide their 501 (c)(3) status and liability coverage to Alaskans Care. Alaskans Care has not succeeded in attracting any organization willing to risk the liability exposure attendant on sharing their non-profit status.

Alaskans Care's mission to provide resources beyond that provided

by public assistance to help the homeless become self-sufficient. These resources would include housing, child care, and other support needed to do more than engage in a daily struggle for food and warmth. This additional incremental assistance is needed to overcome the spiral of poverty and homelessness.

The Alaskans Care program wishes to provide a drug and alcohol-free living environment, achievement of a first stage life goal over the period of a year, establishment of an extended family-like self-help environment, and safe and affordable housing.

Immediate solutions: affordable, clean and sober living environment for those living on the street.

Long term solutions: Long term commitment to residency, retraining, and rebuilding of self-confidence as a solution to hopelessness.

22. ALASKA COALITION FOR THE HOMELESS
ANALYSIS OF THE FEDERAL BUDGET AND THE HOMELESS IN APPENDIX "A", PAGE 22-6

(BARBARA BENNETT)

Undercounting of the homeless is an ongoing concern. No accurate methodology has been established. However, National Coalition for the Homeless estimates an increase of 25% each year in the number of the homeless. National homeless population is represented in approximate thirds of families with children, veterans, and chronically mentally ill.

Causes are political, social, and economic with major impact from withdrawal of government support of housing, marginal wages at the low end of the socioeconomic scale that will not support a household, lack of independent living skills, and the difficulty of saving anything in the exposed environment of emergency shelter.

We need to utilize existing network of programs and provide outlets for additional help from the community. Networking resources and services is complex in Anchorage when eligibility criteria do not match, e.g Detox is considered complete at Clitheroe after 90 days but JTPA requires 6 months sobriety to qualify for job training. Need to broaden public awareness of affordable housing.

Providing affordable housing is the long term solution but comprehensive services for all the subsets of homeless individuals must accompany housing. Anchorage needs a continuum of housing options and supported assistance programs. Alaska also needs to apply for available McKinney Act domiciliary funding for veterans. We need to keep the state legislature informed of the place of origin of homeless served in Anchorage and request adequate assistance to manage a statewide problem concentrated in Anchorage.

We also need volunteers willing to be resource persons and ideally friends to assist formerly homeless people attain the skills of

being a good neighbor and renter.

**23. ALASKA STATE HOUSING AUTHORITY (ASHA)
(KATHLEEN DEXTER)**

ASHA is the only public housing authority in Alaska. Although we serve statewide, my comments are limited to Anchorage for this testimony. In Anchorage, we have capacity to assist with 569 units for conventional low rent, 137 units for Section 8 new construction, and 1,456 units for Section 8 existing (Fair Market Rentals). Programs are funded through HUD and since we have no state funding for housing, we are subject to federal regulations. The homeless are all the groups former testimony has described. HUD's definition is very specific (see Appendix "A", page 23-1)

Current housing problems in Anchorage are from diminished stock of public housing due to recent housing crisis, owners who have abandoned property, demolition of single room hotels, low cost rentals like Anchorage Sands and Hollywood Vista being taken off line, and recent increases in rental costs. Waiting list in Anchorage is 1,000 people, some of whom eventually lose their certification because of length of wait. Lack of support in community to provide affordable housing.

Immediate solutions: public awareness, outreach, and education to applicants and referring agencies to improve access through successful qualification (currently about 25% of applicants do not qualify); completion of renovation and bringing on line 150 new units called New Willows (scattered around Anchorage) to replace demolished Willows Park (currently 87 are occupied + 39 assigned + 24 open for occupancy hopefully by 12/31/90). ASHA has no funds to acquire and renovate housing.

Long term solutions: Develop single room occupancy (SRO) facilities for single people. Presently achievable but requires coordinated relationship between HUD, the Muni and ASHA. Improve affordability of housing (need increase in fair market valuation of rentals to increase value of certificates for subsidized rents); provide support services to the homeless; review and confirm that Anchorage's Comprehensive Homeless Assistance Plan is accurate and adequately addresses current needs.

**24. ALASKA HOUSING FINANCE CORPORATION (AHFC)
(MITZI BARKER)**

Mission of AHFC is to develop and implement fiscally responsible policies and programs that innovatively anticipate housing needs and provide financing to meet those needs statewide.

AHFC has been working to develop new approaches to Alaska's unique housing challenges. Our primary means of assistance is to look at what it takes to finance a project, look at the gaps in funding and helping with those gaps i.e., we have the means and expertise to help package, leverage and facilitate financing.

We have forged partnerships with public and non-profit housing providers. Worked with Alaska Dept. of Mental Health and Developmental Disabilities to bring \$.5 million homeless housing. Worked with Alaska Legislature to pass HB 218 (ASHA/AHFC pilot program for Congregate Housing) and SB 150/SB 487 (Senior Housing Bill).

**25. U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT (HUD)
(ARLENE PATTON)**

The homeless are not typical Americans. They have special needs and problems. The causes are all of those cited by earlier testimony including failed local or national health and housing policies. HUD will actively assist in helping solve these problems.

The Federal Government acknowledged its responsibility to fulfill a role in meeting basic human needs by passing the Stewart B. McKinney Homeless Assistance Act in 1987. Commonly known as the McKinney Act, it established several programs, some of which are administered by HUD. I will restrict my comments to HUD's programs. Those are: Emergency Shelter Grants Program; Section 8 Moderate Rehabilitation Assistance Program for SRO dwellings, three grants programs (recent award of \$1.5 million to 5 homeless providers in Alaska).

In addition to McKinney Act, HUD initiated \$1 per year lease program for qualifying non-profit groups who are homeless providers. 32 properties are under lease statewide (list in Appendix "A", page 25-8). Lease is renewable at same rate up to three years after which property must be purchased at 10% under fair market or returned to HUD. Copy of lease agreement in Appendix "A", page 25-11.

Immediate action: Examine the issue of the homeless, accurately establish their numbers, locations, and reasons for condition. Legislators need to focus on chronic drug abuse and mental illness problems of most homeless Alaskans.

Long term solutions: Provide adequate temporary shelter and transitional housing while recognizing these are short term strategies. Craft effective long term policy on homelessness through combined effort of non-profits, charities, business, schools, and all levels of government. Provide stable funding for present proven homeless providers while providing additional support for innovative comprehensive support programs.

**26. ANCHORAGE NEIGHBORHOOD HOUSING SERVICES (ANHS)
TABLES IN APPENDIX "A" ON HOUSEHOLD INCOME AND HOUSING
APPROPRIATIONS
(CYNTHIA PARKER)**

ANHS operating since 1982. We forge public/private partnerships to provide affordable housing. We target housing as well as

neighborhood revitalization through various financing and program strategies. Neighborhood revitalization has primarily targeted three neighborhoods: Spenard, Government Hill and Nunaka Valley. Have leveraged \$39 million into those neighborhoods.

Recent programmatic focus is city-wide affordable housing accomplished through foreclosure intervention and small lease/purchase program. Mutual housing is another new program in limited home ownership (458 units in 3 locations including \$3 million in renovations). Modestly priced membership shares underwrite financing and buys minimal equity. This strategy offers housing to low and moderate income population. 40% are set aside for low income residents. Residents are involved in the property management.

In Anchorage, well over 1/3 of our 75,000 households meet low income qualification. This is higher than normal. Part of housing problem is lack of state funding. There is a need to meet current crisis of shelter and transitional housing. ANHS can certainly assist in strategies for longer term housing solutions.

More immediately, we could assist the group that comes out of this task force in financing packaging. Our National Corporation includes all the representatives needed for architectural as well as financial advice. I also sit on the Federal Home Loan Bank Board that funds shelters and transitional housing programs. Our next funding cycle begins in January, 1991, and Alaska organizations could qualify. No one from Alaska applied during last cycle.

Excerpts from publication Creation of Shelter included in Appendix "A", page 26-7. Cynthia has direct knowledge regarding the projects included in the book.

**27. ALASKA WOMEN'S RESOURCE CENTER (AWRC)
(DIANNA WOOD)**

AWRC provides counselling and referrals services to women. Many of our clients are among the homeless. Those who are single without children have problems compounded by lack of eligibility for types of public assistance available to families with dependent children.

Our clients include women fleeing domestic violence, chronic mentally ill, chemically dependent, medically indigent, unemployed. One part of our program is a residential substance abuse prevention program.

Immediate solutions: Utilize existing empty housing to provide transitional housing to take pressure off emergency shelters.

Long term solutions: Increase ASHA dollars for housing, more HUD affordable housing, more cooperative living arrangements similar to Southcentral Counseling Center's Transitional Living Center (TLC).

**28. UNITED WAY OF ANCHORAGE
(GENE BRITTON)**

United Way of Anchorage funds eight of the agencies testifying here today: Catholic Social Services; Bean's Cafe; Salvation Army; Abused Women's Aid in Crisis; Southcentral Counseling Center; Association for Stranded Rural Alaskans in Anchorage; Alaska Youth and Parent Foundation; and Alaska Women's Resource Center. However, United Way is more than a fundraiser and fund distributor. Our mission is to increase the organized capacity of people to care for one another. We are active providing leadership, support and involvement in community problem solving on this Task Force as well as many other human service issues in Anchorage.

Homelessness is one of our program priorities. Community partnerships are needed to address the problem. No single sector has the adequate resources to meet the demand. Through our liaison, Executive Director, Lynn Caswell, United Way will be active in dedicating resources and involvement in responding to this Task Force's recommendations. I believe there is both willingness and resources in this community to address the problem. Although we are fortunate to have a strong United Way, I would not project more than single digit annual growth in our fundraising campaign (\$4.7 million this year).

**29. FAIRVIEW COMMUNITY COUNCIL
(CELESTE BENSON AND EDDIE BURSE)**

Today's testimony has cited many different programs providing many different services. But in spite of the many services, the testimony still focusses on lack of being able to meet the need. Our concept of a Homelass/Inebriate Center offers a fresh approach of bring many services together under one roof in an integrated effort to meet these problems. This facility could serve as an "entry point" to a new life for many. Even though our proposal is "contentless", we believe it provides the structure for a model program. Please consider as one of your solutions.

The land and the facility would be owned and managed by Alaska Medical House Corporation whose Board would include Fairview residents. As conceived on the present foundations, it would accommodate 30-40 clients.

**30. ALASKA NATIVE ALCOHOLISM RECOVERY CENTER (ANARC)
COOK INLET TRIBAL COUNCIL (CITC)
(ERNIE TURNER)**

ANARC is a 26-bed in-patient substance abuse treatment center for Alaska Native alcoholics and addicts, housed in an apartment complex in Mt. View. 13 beds are funded by the state and the other 13 by private funds.

I am a former homeless alcoholic. I would guess typical homeless is an alcoholic/addict, 70% of whom I would estimate are Alaska

Natives. Population increases in rural villages is one cause of increasing trend in urban migration with resulting problems of unemployment and addiction.

Too many of the services offered to the homeless are "enabling". That is they keep the persons in a powerless and system-dependent state by taking responsibility away from them. A more appropriate solution is to intervene with individuals by confrontation that involves finding out what is keeping them homeless and intervening with tough love. This treats the cause instead of the symptom. Intervention in a village setting is no more desirable than in an urban setting. Needs to be done "on the spot".

Solutions: Create a triage center for diagnosis and appropriate referral; legislate changes to involuntary commitment act to facilitate judicial referral to rehabilitation; restore increased funding for support services.

31. OPEN TESTIMONY

A. Beth Kersey

Long term solutions: Strengthen existing networks; utilize mentor programs to help homeless transition to and maintain independent life style; refer to Division of Vocational Rehabilitation model for wholistic and comprehensive approach to transition; employ triage in diagnosis of homeless individuals; employ creative low cost approaches with minimal governmental funding as outlined in excerpt in Appendix "A", page 31-4 from Economics As If The Earth Really Mattered.

B. Pattie Wright

Through a letter read by Barbara Bennett, Ms. Wright offered two older rental units she owns to provide free housing during this winter. Barbara stated that people in the community care. We need to facilitate access to this caring, which Barbara will do with this offer of help.

C. Alice Howarth

Ms. Howarth, as a Fairview property owner and resident spoke to the devastating impact the street homeless are having on businesses, residents and property owners of Fairview as well other Anchorage neighborhoods of Mt. View, Government Hill, and South Addition. As a hub, Anchorage is receiving a statewide problem that requires state attention. We need to work together to get the homeless off the street if we are going to preserve viable neighborhoods. No one wants to live, work, or shop on "skid row".

D. Paul Day

Paul coordinates housing for the homeless for the Alaska Department of Community and Regional Affairs. Paul spoke to the need for increased involvement in this issue by the state. The state is increasing its involvement somewhat. The problem with state assistance is that there has not been enough of it and what assistance is provided is by program and department with no attention to integrating comprehensive services.

Alaska also publishes an annual Comprehensive Homeless Assistance plan that is required by the Federal government in order for the state to receive federal funds. Federal records of funds received by Alaska in FY 1990 are listed in Appendix "A", page 31-12. Alaska must compete for these funds. That effort is hindered by a lack of timely notification from the federal government of grant availability and application deadlines.

Alaska is only one of a few states that does not have a state funded homeless program. I hope this task force can help promote changes to this situation.

E. Suzanne Goodrich

Ms. Goodrich is the Director of Catholic Social Services. She noted that CSS has eleven programs that serve the homeless, many more than mentioned here today. St. Francis House-emergency food and shelter; Immigration/Refugee assistance program; pregnancy support group; a sliding fee counseling program; McCauley Manor - facility for young, throwaway girls; sliding fee special needs day care program; special needs respite program; San Francisco House - elderly emergency shelter as part of Brother Francis Shelter, and Clare House shelter for women.

Catholic Social Services is very involved in this problem. We are taking the lead in looking at services for CMI women.

We are intrigued with Fairview Community Council's proposal and go on record in supporting moving this plan forward.

You've not heard from the clients today. We encourage you to visit the programs. Until you know who the homeless are and know their names, you cannot truly know the problem

F. Edna Adrian

I've heard all the claims of the agencies today. I'm reluctant to say I've seen very few success stories in my 20 years as an advocate in Anchorage.

Fairview is willing to allow the Municipality to place mobile homes for temporary housing for the homeless on the property for the new center during the winter. They would have to be removed in the summer when construction begins.

I have a good idea how much money there is available throughout the state to spend on alcoholism. I don't know how much there is for the homeless. During the break, I was happy to hear a good report on our alcohol rehabilitation system.

SUMMARY OF DENNIS KELSO'S CLOSING REMARKS

Today's testimony has provided more than a "snapshot" of homelessness in Anchorage. It has provided a "photo album" with all the texture, richness and layers of problems and solutions. The problem will not go away. From testimony given today we can expect an increase in number and nature of problems. Testimony also demonstrated we have solutions, ideas, resources, and hope. Homelessness is a more manageable problem today than it was 5 or 10 years ago.

From a review of recent literature on the homeless, I have outlined five elements of a major framework for approaching short and long term solutions. I have used this framework to bring together the findings of today's testimony. The similarities in problems and solutions Anchorage shares with elsewhere suggests that solutions that work elsewhere may be applied here.

I. HOUSING

A. AVAILABILITY

The homeless have a critical need for a stable residence. There are a couple of implications that color this fairly simple observation.

1. Emergency shelters are not healthy environments that lead to a satisfying existence.
2. The condition of being homeless gets in the way of available resources being applied. Lack of a permanent residence makes it difficult to access medical services, prepare for job interviews, etc.

Shelters are not housing. Currently shelters in Anchorage are serving as quasi-housing which is getting in the way of their primary purpose of providing emergency shelter. We need to add the next step which is housing.

Solutions expressed today have included stepped housing, layered housing, stages of housing that move from emergency shelter through transitional housing and on through low income housing.

B. FINANCING

There are intricate and complex mechanisms we must go through to access and apply financial resources. They are complex to both the officials who must interpret and implement as well as to the homeless who must meet the requirements imposed. The availability of resources varies from community to community.

Fiscal issues involve packaging and access.

Non-fiscal issues include such things as zoning, siting, incentives to developers and landlords, neighborhood attitudes, building standards and codes, and coordination of communications.

We need more housing but we also need a good plan, good strategies and a coordinating agency to bring it all about.

II. INCOME

Price of housing is a resource issue for the homeless clients. There is a mismatch between periods of positive economic growth and the inability of clients to access the higher housing prices that accompany the economic growth.

Rent subsidy programs face the obstacle of not being able to place clients because of the disparity in assessment of fair rental market value of available housing.

Eligibility standards, for housing assistance as well as other support services such as Medicaid, are obstacles that restrict client access to resources.

Local communities are challenging eligibility standards through lobbying by coalitions as well as going to court for judicial remedies.

III. SUPPORT SERVICES

While housing is certainly a focus for short and long term remedies, the problem of homelessness has so many more features and characteristics that are exemplified by the many subpopulations among the homeless.

Matching and coordinating support service components with housing is so very complex when you review the nature and characteristics of the homeless subpopulations - homeless, families with children, chronically mentally ill, inebriates and addicts, double diagnosed mentally ill, runaways, throwaways, abused children and women, veterans, illiterate, disabled, chronically unemployed, stranded, to name a few.

The nature of the support services and the intensity of the application needs to fit the subpopulation. There is not a single constellation of services or model that will deal with all groups universally. Some services may be short and intense. Other services may be of long duration and low level intensity.

The consequences of homelessness do not allow many long-term homeless to successfully enter into affordable housing because of the characteristics and survival patterns they develop over many years. Their transition may involve many failures along the way.

Decision makers need to consider this factor when failures tempt them to make quick decisions on the merits of a program.

Some subpopulations may require services so long in duration as to appear to be an institution system. The reality of lifelong services are very probable given the federal government's policy of deinstitutionalizing the mentally ill.

Comprehensive services are needed that include job training, childcare, transportation, etc. You can't take a person off the street after eight years, give them a home, clean clothes, and expect them to be successful at a job.

An obstacle to support services is the complicated constellation of eligibility requirements. The notion of requiring a linear progression of qualifications may be too onerous for the client. Service providers must look at developing creative approaches to service provision that allow for application of simultaneous remedies.

IV. SHORT AND LONG TERM SOLUTIONS

Short term solutions are necessary but we must abandon the approach that applies a series of short term solutions to long term problems.

Some solutions such as financing require a thirty-year commitment.

There is need for planning. But there is also need for much more than a plan. There is a need for application of resources to the strategies that includes lobbying, oversight, and staffing for coordination and implementation of the plans.

V. HEALTH AND MEDICAL SERVICES

The prior four issues come out of an analysis of local homeless efforts and problems across the country. However, the availability and access to health and medical services is a structural issue that is national in scope. This is also different from the previous four issues because it is not a homeless-centered issue.

At present there are few remedies other than voluntary efforts and charitable contributions by medical providers.

This ends the summation of Dennis' comments on the five issues that provide a framework for defining problems and seeking solutions. He offered some additional closing comments summarized below.

◆ A. HOUSING

1. Literature on financing: There is a growing body of literature on all sorts of financial practices for solutions to homelessness. There is expertise and patterns to follow. Groups of attorneys on the east and west coasts are specializing in financing practices.

2. Architectural models: These exist for various solutions such as single room occupancy (SRO), alcohol rehabilitation, etc. You can move faster and make fewer mistakes in new construction and remodelling by consulting existing information.

3. Partnerships: There is a need to forge partnerships of people and groups with common interests. These partnerships must move beyond coalitions and networking. They need to be formal agreements for such things as lobbying, legal action, coordinated service strategies.

4. Supply-induced demand for services: As agencies successfully engage and help homeless and alcoholics and treat them, needs will be created elsewhere within the system for services. Planning must consider how remedies impact and create demands elsewhere in the community's service system.

5. Preventive responses: Some responses can prevent needs for services. Institutions can modify their eligibility requirements to not require homelessness as a criteria for service.

Advance transportation planning in Alaska could prevent stranded people from becoming homeless when they arrive in Anchorage because of medevac or other medically-related visits. At present, rural Alaskans who are eligible for transportation assistance receive only one-way passage to Anchorage.

B. APPROACHES TO HOMELESSNESS

1. External forces: Historically, we are in a changing pattern in the way we approach homelessness. Formerly, homelessness was considered an individual problem with non-profits and charities providing solutions. Now we recognize there are also external forces that produce homelessness such as deinstitutionalization of the mentally ill and withdrawal of federal support for housing. These are structural problems.

The responses must continue to utilize the non-profit approach augmented by structural responses of segments of society that don't usually respond directly to the problem (e.g. financial institutions).

2. Service modalities: Service providers must look at changing modes in the way they provide services. For example, the Fairview Inebriate Center concept proposal abandons separate-agency service provision and adopts an integrated approach with broad-based community involvement and support.

3. Client-based advocacy: Across the country, people are starting to get very involved and influential in self-advocacy. A subculture of homeless-based organizations are developing a good track record. They are, in many cases, doing a good job of self-management, never forgetting who they are. Don't neglect to include

the homeless in your deliberations.

CLOSING STATEMENT BY RICK NERLAND, CHAIR

Today, we have listened and learned. Our next charge is to develop some short term actionable solutions and long-term rational and compassionate solutions.

**WRITTEN PUBLIC TESTIMONY SUBMITTED
MUNICIPALITY OF ANCHORAGE
MAYOR'S TASK FORCE ON EMERGENCY SHELTER AND THE HOMELESS
TOM FINK, MAYOR**

**FRIDAY, NOVEMBER 16, 1990
9:00 AM TO 3:30 PM
LOUSSAC LIBRARY - ASSEMBLY CHAMBERS**

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APPENDIX D

LIST OF WRITTEN TESTIMONY RECEIVED 11/16/90

NOTE: All of these materials are available at the

Municipality of Anchorage
Department of Health and Human Services
Planning Office
825 L Street - 4th Floor
Anchorage, Alaska
(907) 343-6718

They are not included here because of their volume,
but they are available upon request.

**TABLE 1
BROTHER FRANCIS SHELTER
NUMBER OF CLIENT NIGHTS**

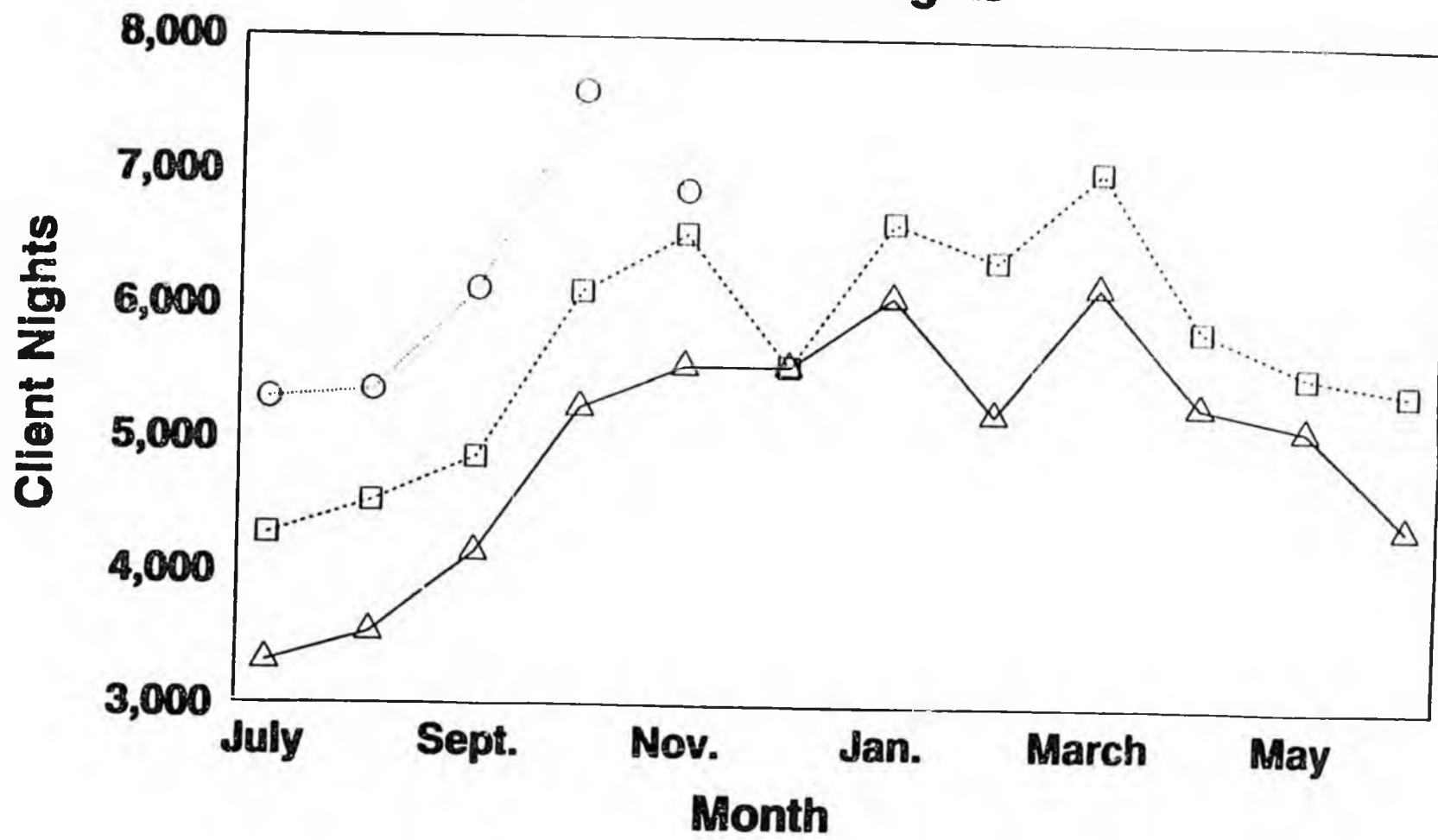
<u>Month</u>	<u>No. of Client Nights (FY89)</u>	<u>No. of Client Nights (FY90)</u>	<u>Percent Change</u>	<u>No. of Client Nights (FY91)</u>	<u>Percent Change</u>
July	3317	4278	29.0%	5301	23.9%
August	3534	4526	28.1%	5363	18.5%
September	4140	4860	17.4%	6120	25.9%
October	5239	6107	16.6%	7595	24.4%
November	5550	6540	17.8%	6862	4.9%
December	5549	5549	0.0%		
January	6067	6634	9.2%		
February	5208	6356	22.0%		
March	6169	7037	14.1%		
April	5280	5850	10.8%		
May	5115	5518	7.9%		
June	<u>4380</u>	<u>5400</u>	<u>23.3%</u>		
TOTAL	59,557	68,655	15.3%		

**TABLE 2
CLARE HOUSE
NUMBER OF CLIENT NIGHTS**

<u>Month</u>	<u>No. of Client Nights (FY89)</u>	<u>No. of Client Nights (FY90)</u>	<u>Percent Change</u>	<u>No. of Client Nights (FY91)</u>	<u>Percent Change</u>
July	262	682	160.3%	858	25.8%
August	585	908	55.2%	996	9.7%
September	580	755	30.2%	1031	36.6%
October	577	859	48.9%	721	-16.1%
November	407	593	45.7%	735	23.9%
December	586	526	-10.2%		
January	640	647	1.1%		
February	309	582	57.7%		
March	294	541	84.0%		
April	643	503	-21.8%		
May	655	917	40.0%		
June	<u>581</u>	<u>463</u>	<u>-19.4%</u>		
	6,179	7,981	29.2%		

NOTE: In October of 1990, Clare House implemented a management policy because of safety considerations, which limited the number of people who could be housed there.

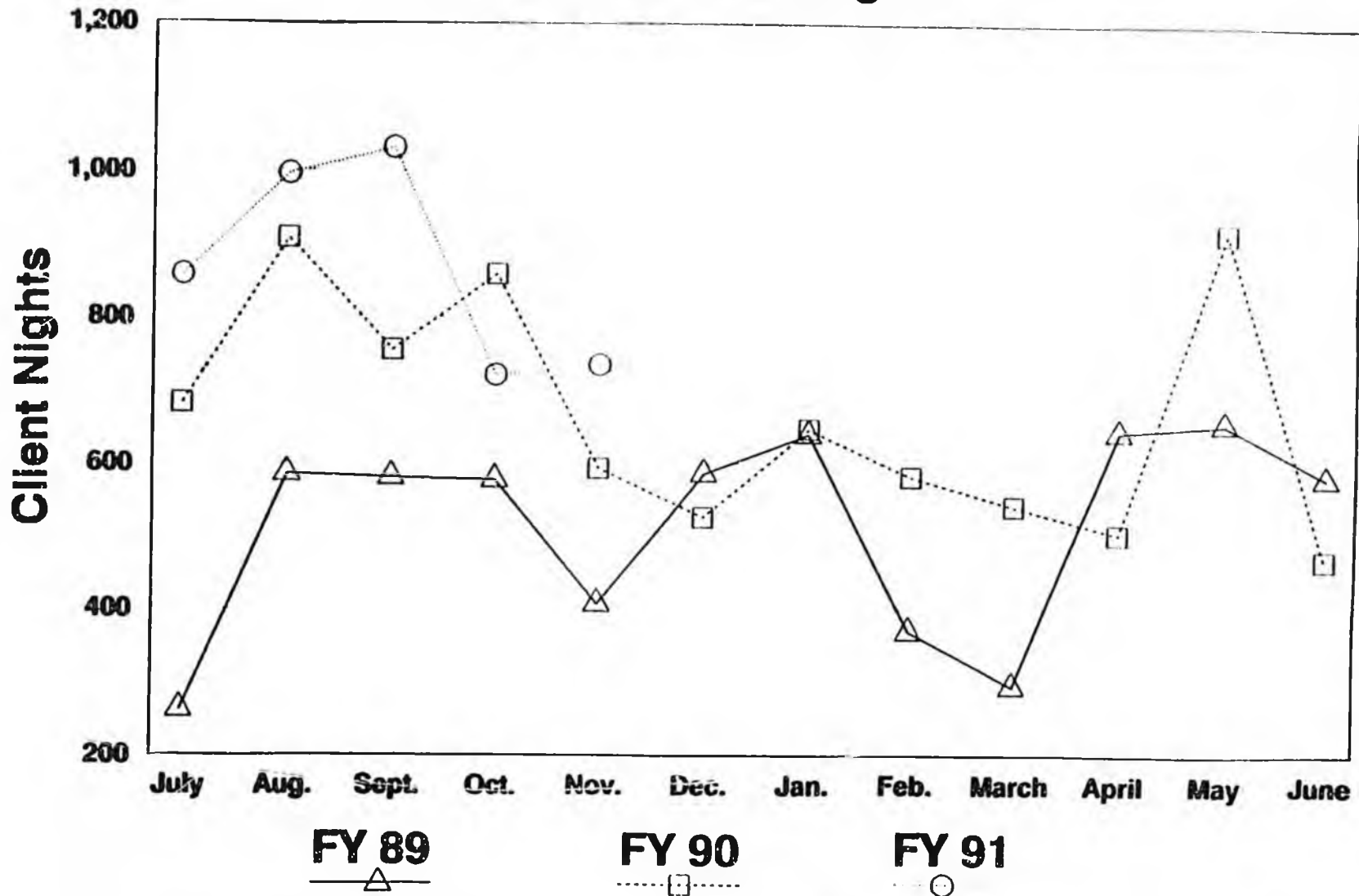
Brother Francis Shelter Number of Client Nights



E2

FY89
FY90
FY91

Clare House Number of Client Nights



Note: Clare House instituted an emergency management plan in October 1990 in order to cope with the recent increase in clients. As a result, the number of client nights decrease significantly from Sept to Oct. FY 91.

**TABLE 3
McKINNELL HOUSE
NUMBER OF CLIENT NIGHTS**

<u>Month</u>	<u>No. of Client Nights (FY89)</u>	<u>No. of Client Nights (FY90)</u>	<u>Percent Change</u>	<u>No. of Client Nights (FY91)</u>	<u>Percent Change</u>
July	892	724	-18.8%	671	-7.3%
August	999	978	-2.1%	608	-37.8%
September	999	965	-3.4%	586	-39.3%
October	653	647	-.01%	631	-2.5%
November	810	731	-9.7%	637	-12.9%
December	878	579	-3.4%		
January		625			
February		560			
March	574	754	31.3%		
April	780	943	20.9%		
May	868	988	13.8%		
June	833	527	-36.7%		

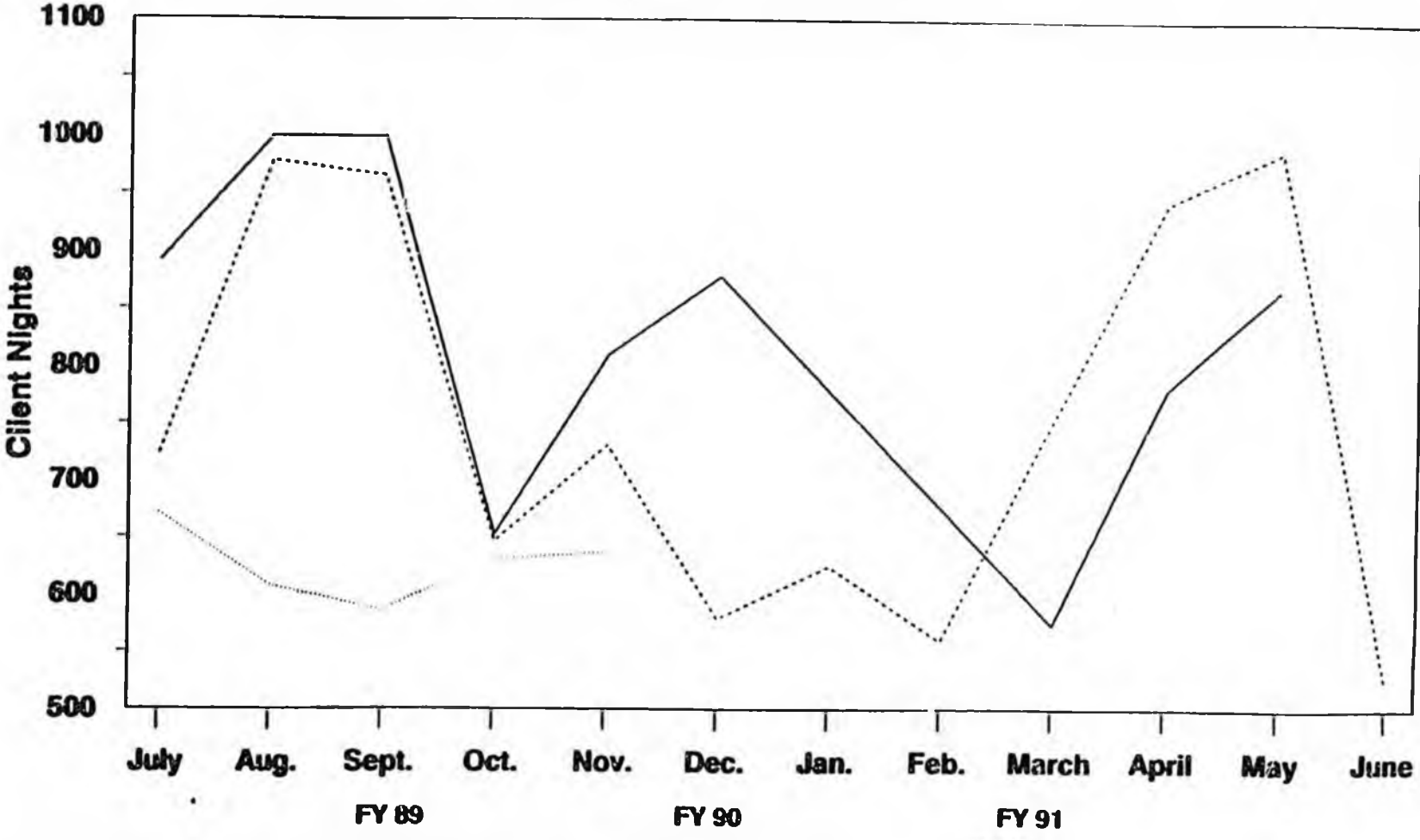
NOTE: McKinnell House converted two 9-bed dormitories into three family rooms in June of 1990. The number of people served decreased as the number of available beds decreased.

**TABLE 4
COVENANT HOUSE
NUMBER OF CLIENT NIGHTS**

<u>Month</u>	<u>No. of Client Nights (FY90)</u>	<u>No. of Client Nights (FY91)</u>	<u>Percent Change</u>
July	868	558	-35.7%
August	682	527	-22.7%
September	780	750	-3.8%
October	620	713	15.0%
November	750	540	-28.0%
December	465		
January	750		
February	644		
March	744		
April	810		
May	620		
June	540		

McKinnell House

Number of Client Nights

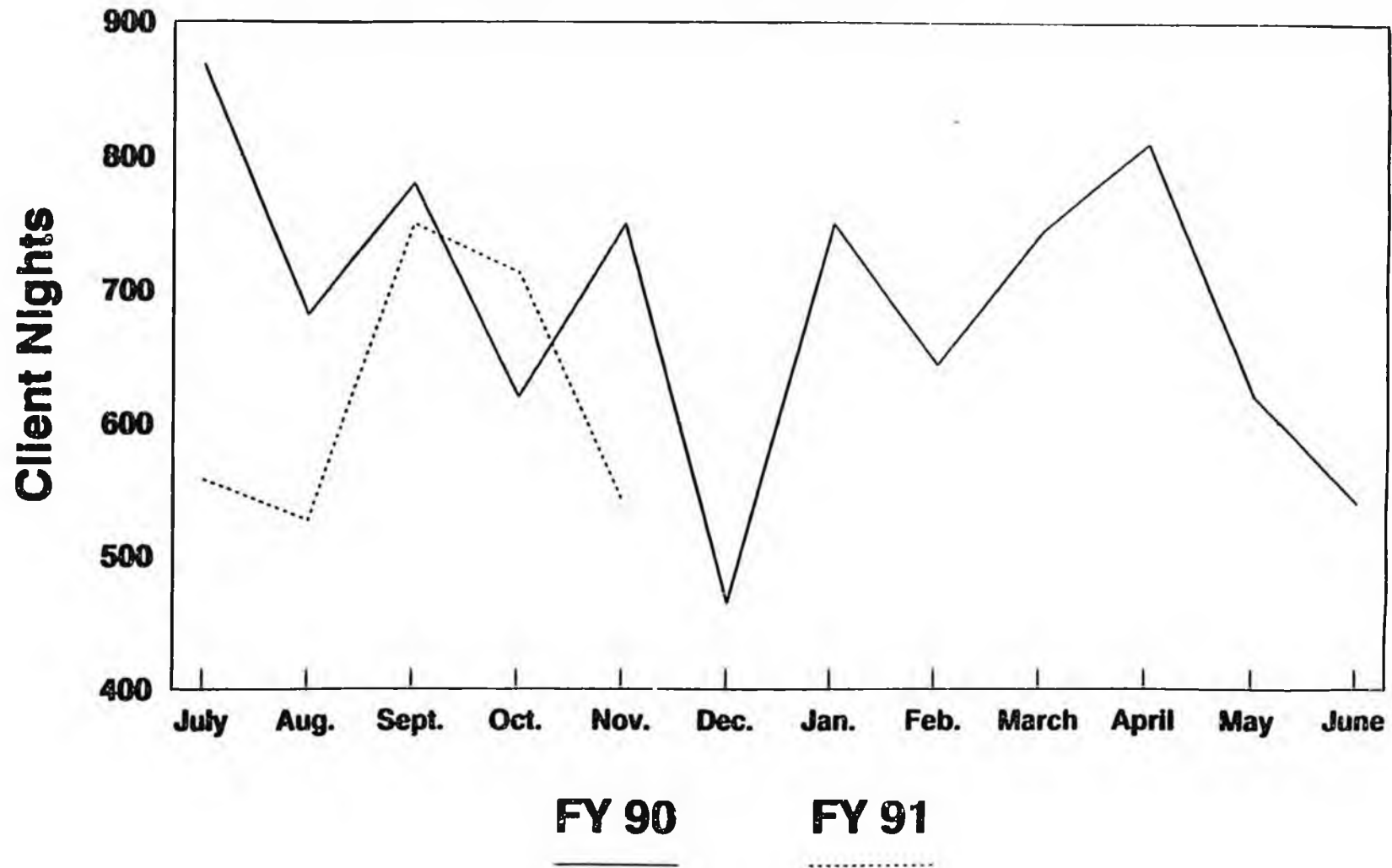


Note: McKinnell House converted two 9 bed dormitories into three family room in June 1990, thus reducing the effective number of beds.

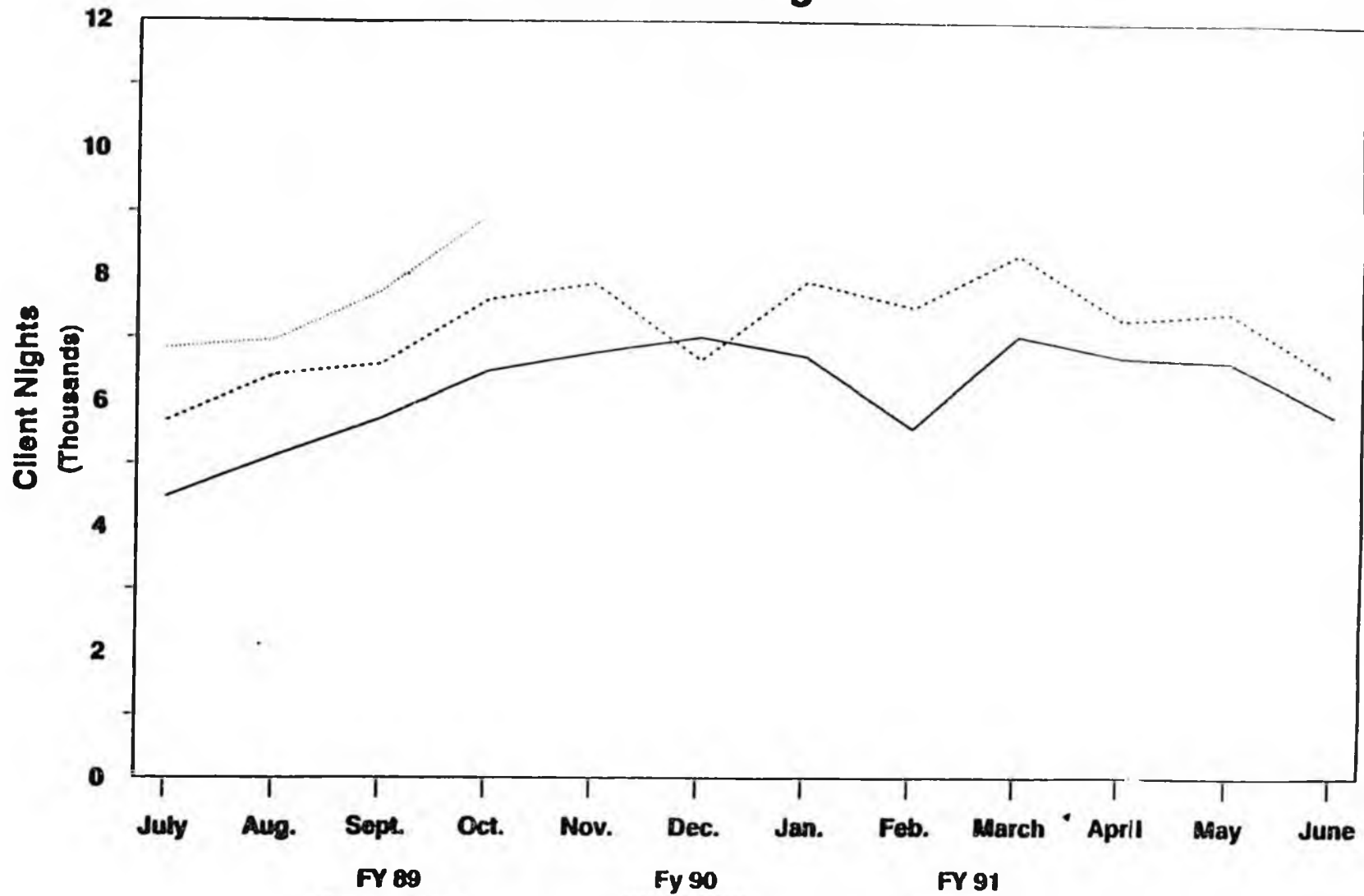
ES

Covenant House

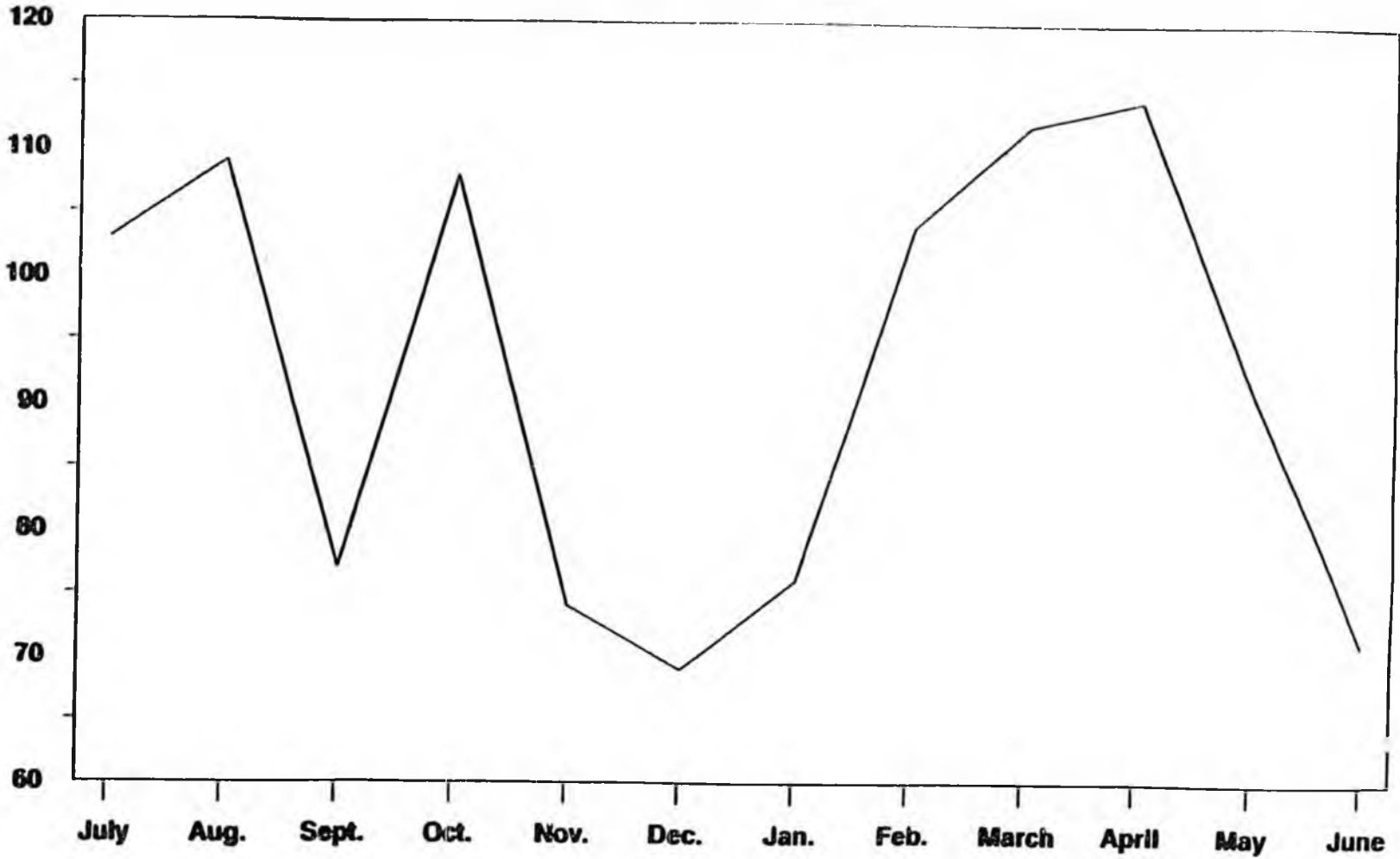
Number of Client Nights



McKinnell House, Clare House, and BFS Total Client Nights



AWAIC Shelter Number of Clients



E8

FY 90

S B

6 2

POSITION PAPER

Senate Bill No. 62

"An Act requiring the Department of Community and Regional Affairs, with the advice and cooperation of the Department of Health and Social Services, to establish and evaluate a pilot housing search service project for the homeless and those in temporary and unsafe housing; and providing for an effective date"

DISCUSSION

Senate Bill No. 62 calls upon the Department of Health and Social Services to advise and cooperate with the Department of Community and Regional Affairs to develop a pilot housing search project for the homeless and the near-homeless, and to establish criteria for the referral of eligible individuals and families to the project for the homeless.

DHSS is aware of the magnitude of the problem of homelessness and supports the concept of housing search projects for Alaska's homeless population. DHSS currently provides emergency housing assistance to financially needy individuals and families who are homeless or facing eviction, through the General Relief Assistance program.

The Department of Community and Regional Affairs currently provides funds for the development and maintenance of shelters for the homeless by providing grant funds to local organizations which operate these facilities. Experience has demonstrated that the operation of such projects is most effectively done with local control of project design and administration. The legislation at hand provides for the design, by DCRA and DHSS, of a single housing search pilot project to be operated at two sites in the state.

RECOMMENDATION

We believe that, if the state chooses to fund such a project, the most effective way to design and evaluate the project would be by granting funds to local organizations which would design, implement, and evaluate the effectiveness of the project. Local organizations already have knowledge and experience in assessing and addressing the needs of their homeless populations, and in the realities of local housing markets. Because most existing programs for the homeless are administered at the local level, local design and control of a housing search project would allow for effective coordination with existing programs for the homeless, and could serve to enhance the effectiveness of those programs already in place.

Position Paper
Senate Bill No. 62
Page 2

While we support the concept of a pilot housing search program for the homeless, we recommend against passage of this legislation.

Recommended by: Jan L. Hansen
Jan L. Hansen, Director
Division of Public Assistance

Date: 2/4/91

Approved by: Theodore A. Mala
Theodore A. Mala, MD, MPH
Commissioner
Department of Health &
Social Services

Date: 2/4/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB62

Revision Date: _____ Department Affected: Health & Social Services
 Title: An act requiring IXRA to establish and evaluate a pilot housing search project. BRU: Public Assistance Administration
 Sponsor: Fahrenkamp Component: Admin
 Requestor: _____ COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	Ø	Ø	Ø	Ø	Ø	Ø
TRAVEL	Ø	Ø	Ø	Ø	Ø	Ø
CONTRACTUAL	Ø	Ø	Ø	Ø	Ø	Ø
SUPPLIES	Ø	Ø	Ø	Ø	Ø	Ø
EQUIPMENT	Ø	Ø	Ø	Ø	Ø	Ø
LAND & STRUCTURES	Ø	Ø	Ø	Ø	Ø	Ø
GRANTS, CLAIMS	Ø	Ø	Ø	Ø	Ø	Ø
MISCELLANEOUS	Ø	Ø	Ø	Ø	Ø	Ø
TOTAL OPERATING	Ø	Ø	Ø	Ø	Ø	Ø

CAPITAL	Ø	Ø	Ø	Ø	Ø	Ø
---------	---	---	---	---	---	---

REVENUE	Ø	Ø	Ø	Ø	Ø	Ø
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	Ø	Ø	Ø	Ø	Ø	Ø
FEDERAL FUNDS	Ø	Ø	Ø	Ø	Ø	Ø
OTHER	Ø	Ø	Ø	Ø	Ø	Ø
TOTAL	Ø	Ø	Ø	Ø	Ø	Ø

POSITIONS:

FULL-TIME	Ø	Ø	Ø	Ø	Ø	Ø
PART-TIME	Ø	Ø	Ø	Ø	Ø	Ø
TEMPORARY	Ø	Ø	Ø	Ø	Ø	Ø

Estimate of current year impact: No fiscal impact.

ANALYSIS: (Attach a separate page if necessary.)

 No fiscal impact.

Prepared By: Jan L. Hansen Phone: 465-3347
 Division: Division of Public Assistance Date: 2/4/91
 Approved by Commissioner: [Signature]
 Agency: _____ Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB62

Revision Date: _____ Department Affected: Health & Social Services
 Title: An act requiring IXRA to establish and BRU: Public Assistance Administration
evaluate a pilot housing search project. Component: Admin
 Sponsor: Fahrenkamp
 Requestor: _____ COMPONENT SERIAL NO.

--	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	Ø	Ø	Ø	Ø	Ø	Ø
TRAVEL	Ø	Ø	Ø	Ø	Ø	Ø
CONTRACTUAL	Ø	Ø	Ø	Ø	Ø	Ø
SUPPLIES	Ø	Ø	Ø	Ø	Ø	Ø
EQUIPMENT	Ø	Ø	Ø	Ø	Ø	Ø
LAND & STRUCTURES	Ø	Ø	Ø	Ø	Ø	Ø
GRANTS, CLAIMS	Ø	Ø	Ø	Ø	Ø	Ø
MISCELLANEOUS	Ø	Ø	Ø	Ø	Ø	Ø
TOTAL OPERATING	Ø	Ø	Ø	Ø	Ø	Ø

CAPITAL	Ø	Ø	Ø	Ø	Ø	Ø
---------	---	---	---	---	---	---

REVENUE	Ø	Ø	Ø	Ø	Ø	Ø
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	Ø	Ø	Ø	Ø	Ø	Ø
FEDERAL FUNDS	Ø	Ø	Ø	Ø	Ø	Ø
OTHER	Ø	Ø	Ø	Ø	Ø	Ø
TOTAL	Ø	Ø	Ø	Ø	Ø	Ø

POSITIONS:

FULL-TIME	Ø	Ø	Ø	Ø	Ø	Ø
PART-TIME	Ø	Ø	Ø	Ø	Ø	Ø
TEMPORARY	Ø	Ø	Ø	Ø	Ø	Ø

Estimate of current year impact: No fiscal impact.

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact.

Prepared By: Jan L. Hansen Phone: 465-3347
 Division: Division of Public Assistance Date: 2/4/91
 Approved by Commissioner: [Signature]
 Agency: _____ Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

S B

7 0

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*
* DELIVER TO: LIOCBL5
*
*
* ORIGINAL
* SENT: 02/12/91 TIME: 15:51
* FROM: LIOCLAI
* SUBJECT: 91-02-037;PL;MUNICIP TAX;2-12
* PRINT DATE: 02/12/91 TIME: 15:51
*
*****

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SUBJECT LINE TO READ: TC NO.; PLNFS;SHORT SUBJECT;DATE

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TNC NO: 91-02-037
DATE: 02-12-91
SPONSOR: S COMMUNITY & REGIONAL AFFAIRS
SUBJECT: SB 70- MUNICIPAL TAX OF STATE PROPERTY
MODERATOR: LANI
SITE: ANCHORAGE

```

PARTICIPANT LIST

TO TESTIFY

NAME\ REPRESENTING	ADDRESS	PHONE	BILL NO.
1. STEVE SANT\MOA-SB 70			
2. TOM PITMAN\AAA0-SB 70			

- 3.
- 4.
- 5.
- 6.

TO OBSERVE:

NAME\ REPRESENTING	ADDRESS	PHONE	BILL NO.
1.			
2.			
3.			
4.			
5.			

```

BACK UP NUMBER: 561-1199
EMAIL ADDRESS: LIOCLAI

```


FEB 4 1991



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907) 586-1325. Fax (907) 463-5480

February 4, 1991

MEMORANDUM

TO: Senator Drue Pearce
FROM: Scott A. Burgess, Executive Director 
SUBJECT Proposed Amendment to SB 70

The Alaska Municipal League supports SB70 with the addition of the sponsor's amendment (7-LS0420A.1 Cook) which provides that municipal real property located outside the municipality is taxable by another municipality. The amendment makes clear, however, that real property owned by a city is not taxable by a borough when it is owned by a city in that borough.

This proposed change in Title 29 was adopted as part of the AML 1991 Municipal Platform in response to a concern that the real property tax base in a number of municipalities could be eroded by the ownership and acquisition of real property by municipalities located outside the city or borough required to provide services. The host municipality providing services such as roads, utilities, and police and fire protection for these properties will need, particularly as state revenues decline, a stable rather than a declining tax base.

In other words, without this limited exception to municipal tax immunity, real property which would otherwise be taxed would continue to be exempt from taxes even though the outside municipality owning the real property has no governmental responsibilities or obligations to the citizens of the municipality required to provide services.

As a matter of policy and equity this amendment is consistent with the principal goal of SB 70 that property which is protected and enhanced by the services of a local government should, in the absence of some overriding policy consideration, bear some obligation to support these services.

The AML supports SB 70 with the proposed amendment. Thank you.

Alaska State Legislature

3111 C Street, Suite 150
Anchorage, Alaska 99503
(907) 561-2038



During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

Senator Drue Pearce
District G

MEMORANDUM

TO: Senator Steve Frank, Chair
Senate Community & Regional Affairs Committee

FROM: Senator Drue Pearce
& Regional Affairs

DATE: February 12, 1991

RE: SB 70, Taxation by municipalities of certain property of governmental entities

SB 70 would allow taxation of real property acquired by state and federal agencies through foreclosure or deed in lieu of foreclosure and retained for investment purposes.

The legislation was requested by the Alaska Municipal League because millions of dollars of assessed value are being removed from assessment rolls across the state by certain governmental agencies which have foreclosed on property in which they have a security interest. Some state agencies, like Alaska Industrial Development and Export Authority (AIDEA), have been exempted from taxation while others like Alaska Housing Finance Corporation (AHFC) pay local property taxes. Inequities are also created because exempt properties bear no tax burden but receive the same services they did while in private ownership. SB 70 will correct these inequities and will give municipalities the revenue to which they are entitled for the services they supply.

SB 70 extends to federal properties similarly held and not otherwise exempt from taxation by the provisions of federal law. Farmers Home Mortgage Association (FHMA) would pay taxes on their deed in lieu of foreclosed property if this legislation was passed.

The Public Employees Retirement System (PERS) and the Teachers Retirement System (TRS) were exempted from this legislation.

Attached is an amendment that was adopted as part of the Alaska Municipal League 1991 Municipal Platform. It provides that municipal real property located outside the municipality is taxable by another municipality.

A concern was raised that the real property tax base in a number of municipalities could be eroded by the ownership and acquisition of real property by municipalities located outside the city or borough required to provide services (i.e. roads, utilities, police and fire protection).

This amendment does make evident that real property owned by a city is not taxable by a borough when it is owned by a city in that borough.

This legislation is supported by the Municipality of Anchorage and the Alaska Association of Assessing Officers.

DP:tej

Alaska State Legislature

3111 C Street, Suite 150
Anchorage, Alaska 99503
(907) 561-2038



During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

Senator Drue Pearce
District G

MEMORANDUM

TO: Senator Steve Frank, Chair
Community & Regional Affairs Committee

FROM: Senator Drue Pearce *Drue Pearce*

DATE: February 4, 1991

RE: SB 70

Please consider scheduling SB 70, relating to taxation by municipalities of certain property of governmental entities, for a hearing as soon as possible.

SB 70 would allow taxation of real property acquired by state and federal agencies through foreclosure or deed in lieu of foreclosure and retained for investment purposes. This is important legislation for the municipalities because millions of dollars in assessed value are being removed from the tax rolls across the state, depriving municipalities of revenue to which they are entitled for the services they supply.

This legislation was requested and is strongly supported by the Alaska Municipal League (AML). The AML is holding their annual conference February 12-14 in Juneau. I would respectfully request your scheduling this bill for Tuesday, February 12th. Boroughs who are in support of this bill would like to testify personally.

At the request of the AML, attached is an amendment I will be offering in the C&RA Committee for inclusion in a Committee Substitute. This amendment would provide that municipal real property located outside the municipality is taxable by another municipality. The amendment makes clear that real property owned by a city is not taxable by a borough when it is owned by a city in that borough.

Last year this legislation, SB 308, died in House Rules. It was not scheduled for the House Floor during the final days because the chairman felt I had too many bills that passed.

If you have any questions, please don't hesitate to call me or Tally Johnson of my staff.

Thank you.

Attachment

DP:tej

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 8, 1991

POSITION PAPER

RE: Senate Bill 70

SPONSOR: Senator Pearce

Program Effects

Section one of the bill provides for property which is retained by the State for investment purposes to become taxable by municipal governments. Section one also makes it clear in state law that federal property which is taxable under federal law is taxable as well under Alaska Statutes.

The proposed amendment to the bill (7-LS0420A.1 Cook) provides for property which is owned by one municipality, but is located in another, to become taxable. The amendment precludes taxation by a borough of property which is located within its jurisdiction and is owned by a city within the borough. Within boroughs, however, property belonging to one city and located in another, would become taxable by the city within which it is located.

Taking Fairbanks North Star Borough as an example of this:

If the City of North Pole owned property which were located in the City of Fairbanks, the Fairbanks North Star Borough would not be allowed to levy a tax against the property because the property would be "located within a borough and owned by a city within that borough." That feature of the amendment would not alter existing law. At the present time, no borough levies property taxes against property owned by a city which is located within that borough.

On the other hand, using the same example, any property tax rate levied by the City of Fairbanks would be levied against the property owned by the City of North Pole because "municipal real property located outside the municipality is taxable by another municipality." In this example, the real property of the City of North Pole is located outside of North Pole and is taxable by the City of Fairbanks.

Comments

The primary reason publicly owned property is typically exempted from property taxation is because the property normally belongs to the people who pay for the provision of municipal services to the property, and who would receive the payment of tax revenues from a levy against the property. In other words, in a case where property is owned by and located in the same municipality, all residents of the municipality would be the taxpayers, the service providers, and the recipients of the resulting revenues. Clearly, it would simply be a waste of time and money to levy against and collect property taxes from such property.

In the case addressed by the amendment, however, there are two distinctly separate groups of people involved. In the example cited above, the people of the City of North Pole receive services such as police protection, etc. for their property which is located in the City of Fairbanks. The people of the City of Fairbanks pay for and provide those services to the property owned by North Pole. The proposed amendment would provide for the people of North Pole to reimburse the City of Fairbanks through property taxation for the services provided to the North Pole property.

The Department supports the passage of Senate Bill 70. Whenever practical, the Department believes municipal services provided to property and to people should be paid for by the recipients of the services. Senate Bill 70 directly addresses that concept.

Remond Henderson for
Edgar Blatchford, Commissioner

#2

7-LS0420A.2 ✓

Cook

02/12/91

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR PEARCE

TO: SB 70

Page 2, line 13, after "law":

Insert "except that a private leasehold, contract, or other interest in the property is taxable to the extent of the interest"

1

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR PEARCE

TO: SB 70

Page 1, after line 13 insert:

"(C) an ownership interest of a municipality in real property located outside the municipality is taxable by another municipality; however, a borough may not tax an interest in real property located in the borough and owned by a city in that borough;"

Page 2, lines 15 and 16:

Delete "STATE OR FEDERAL"

Insert "GOVERNMENTAL"

Page 2, line 16:

Delete "state"

Page 2, line 17:

Delete "AS 29.45.030(a)(1)"

Insert "AS 29.45.030(a)(B) or (C)"

Page 2, line 19, following "state":

Insert ", municipal,"

3

* Section AS 14.25.200(a) is amended to read:

(a) Except as provided in AS 29.45.030(a)(1), member [MEMBER] contributions and other amounts held in the system on behalf of a member or other person who is or may become eligible for benefits under the system are exempt from Alaska state and municipal taxes and are not subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge of any kind, either voluntary or involuntary, before they are received by the person entitled to the amount under the terms of the system, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or otherwise dispose of any right to amounts accrued in the system is void. However, a member's right to receive benefits may be assigned under a qualified domestic relations order.

* Sec. AS 39.35.500 is amended to read:

Sec. 39.35.500. SAFEGUARD OF EMPLOYEE FUNDS HELD BY THE SYSTEM. Except as provided in AS 29.45.030(a)(1), employee [EMPLOYEE] contributions and other amounts held in the system are exempt from Alaska state and local taxes. Amounts held on behalf of, or payable to, any employee or other person who is or may become eligible for benefits under the system are not subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge of any kind, either voluntary or involuntary, before being received by the person entitled to the amount under the terms of the system. An attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or otherwise dispose of a right to amounts held under the system is void. However, an employee's right to receive benefits may be assigned under a qualified domestic relations order.



Alaska State Legislature

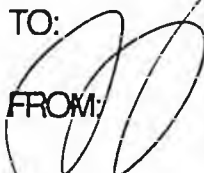
SENATE

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

Memorandum

TO: Senate Secretary

FROM:  Senator Steve Frank, Chairman
Community & Regional Affairs

RE: Committee Meeting Schedule

DATE: February 7, 1991

Tuesday February 12. 3:30 p.m. - Butrovich Room:

OVERVIEW - Department of Community & Regional Affairs

SB 70 - Municipal Taxation of Certain State Properties

Thursday February 14. 3:30 p.m. - Butrovich Room:

Local Boundary Commission - Overview of Legislative Issues
(Joint with House C&RA Committee)

SB 96 - Boundary Commission Compensation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 1/21/91

FURTHER: L&C
Finance

Date of 5-Day Notice: 2/7/91
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: _____

C&RA Committee considered SENATE BILL NO. 70

Taxation of municipalities of certain property of governmental entitled; efd.

and recommended:

and a majority of the
committee recommends it
be replaced with

- replace with _____ CS SB 70 (CRA) same title
- attached amendment(s) _____ and do pass new title
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

2 PHN'S

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) _____

zero fiscal note(s) _____
C&RA - SB + CS
Commerce + Econ - ~~CS~~ - 2-SS's

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chair: Signature and Recommendation

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill Version: CSSB 70
(S) Publish Date: 2/15/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
Title: An Act Relating to Taxation BRU: AK Industrial Dev. & Export Authority
by Municipalities _____ Component: _____
Sponsor: Pearce
Requestor: Pearce COMPONENT SERIAL NO.

1	2	3	4
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.) Payment of taxes would approximate \$388.0 in FY 93. Foreclosure reserve account funds would be utilized which are not an operating or capital cost. The attached illustrates amounts payable by political subdivision using an estimated Mill rate. Amounts payable will vary with changes in the Mill rate and assessed valuation of properties included.

Prepared By: Bertram L. Wagon, Executive Director Phone: (907) 561-8050
Division: AK Industrial Dev. & Export Authority Date: February 8, 1991
Approved by Commissioner: Glenn A. Olds
Agency: Department of Commerce & Economic Development Date: February 3, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - CSSB 70 (C&RA)

All costs associated with this legislation will be paid from AIDEA foreclosure reserves and do not require legislative appropriation.

Alaska Industrial Development and Export Authority:

The tax on \$27 million of defaulted loans at an average of 15 mills would equate to approximately \$420,000. Over the years, property acquired through foreclosures should decrease while the value of property will increase. The first payment to local governments would be January 1, 1992 which would occur in FY 93.

AS OF DECEMBER 31, 1990

<u>LOCAL GOVERNMENT</u>	<u>NUMBER OF PROPERTIES</u>	<u>ASSESSED VALUE</u>	<u>AIDEA PAYMENT (Excluding Bank Owned Portion)</u>
Municipality of Anchorage	41	\$15,828,742	\$257,080
Fairbanks North Star Borough	9	4,375,387	53,695
Kenai Peninsula Borough	13	4,442,086	42,840
Matanuska-Susitna Borough	10	2,269,530	27,968
City & Borough of Juneau	5	850,185	10,379
City & Borough of Sitka	1	501,480	6,174
City of Valdez	1	858,270	12,810
North Slope Borough	<u>1</u>	<u>507,045</u>	<u>9,314</u>
Total	<u>81</u>	<u>\$29,632,725</u>	<u>\$420,260</u>

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act Relating to Taxation BRU: Investments
 by Municipalities _____ Component: _____
 Sponsor: Pearce
 Requestor: Pearce COMPONENT SERIAL NO.

	3	8	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)
 SEE ATTACHED

Prepared By: Martin Richard, Director Phone: 465-2510
 Division: Investments Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds *Hallway Spec Ass II*
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies)

ANALYSIS - CSSB 70 (C&RA)

Division of Investments:

All costs associated with this legislation will be paid from Investments' foreclosure reserves and do not require legislative appropriation.

The Division of Investments has reviewed the fund-owned repossessed property and estimated the property tax that would have been paid to municipalities in 1990 if the state were not exempt from property taxes.

Boroughs currently require the state to pay taxes the year that the property is repossessed. After notifying the boroughs that the property is owned by the state, future years' taxes are exempt.

The following breakdown by taxing jurisdiction has been adjusted for these amounts:

<u>BOROUGH</u>	<u>ESTIMATED 1991 R.E. TAXES</u>	<u>TAXES DUE UNDER CURRENT PROCEDURES</u>	<u>PROPOSED INCREASE</u>
Mat-Su	\$ 818.40		\$ 818.40
Anchorage	12,876.57	\$2,908.72	9,967.85
Juneau	4,744.96		4,744.96
Fairbanks	2,003.63	1,619.56	384.07
Ketchikan	<u>238.25</u>	<u> </u>	<u>238.25</u>
	<u>\$20,681.81</u>	<u>\$4,528.28</u>	<u>\$16,153.53</u>

It is anticipated that the 1992 tax amounts would not be materially different from the 1991 taxes.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CS SB 70

Revision Date: March 19, 1991

Department Affected: Revenue

Title: An act relating to taxation of certain State property by municipalities BRU: Treasury/PERS & TRS

Component: _____

Sponsor: Pearce

Component Serial No.

	1	2	1
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Requestor: Senate C & RA

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	116.5	200.0	175.0	150.0	125.0	100.0
TOTAL OPERATING	116.5	200.0	175.0	150.0	125.0	100.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	116.5	200.0	175.0	150.0	125.0	100.0
TOTAL	116.5	200.0	175.0	150.0	125.0	100.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

estimate of current year impact:

ANALYSIS: The tax cost on the March 12, 1991 balance of \$21.6 million of foreclosed real estate loans owned by the retirement funds using average mill rates by location equates to \$232,962. This tax cost approximates a statewide levy of 10.8 mills. Loan balances were used because it would not be practical to obtain current assessed values on each of the properties. Using assessed values may result in a higher or lower tax result. The effective date of January 1, 1992 would create a tax bill of approximately \$116.5 for FY 92. Over the years, property acquired through foreclosure should decrease because of the improved State economy and reduction in ree properties owned.

Prepared by: Brian C. Andrews

Phone: 465-2350

Division: Treasury

Date: March 19, 1991

Approved by Commissioner: _____

Agency: Revenue

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CS FOR SENATE BILL NO. 70 (CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): SENATOR PEARCE

A BILL

FOR AN ACT ENTITLED

**1 "An Act relating to taxation by municipalities of certain property of governmental entities;
2 and providing for an effective date."**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 14.25.200(a) is amended to read:

**5 (a) Except as provided in AS 29.45.030(a)(1), member [MEMBER] contributions and
6 other amounts held in the system on behalf of a member or other person who is or may become
7 eligible for benefits under the system are exempt from Alaska state and municipal taxes and are
8 not subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge
9 of any kind, either voluntary or involuntary, before they are received by the person entitled to
10 the amount under the terms of the system, and any attempt to anticipate, alienate, sell, transfer,
11 assign, pledge, encumber, charge, or otherwise dispose of any right to amounts accrued in the
12 system is void. However, a member's right to receive benefits may be assigned under a qualified
13 domestic relations order.**

14 * Sec. 2. AS 29.45,030(a) is amended to read:

1 (a) The following property is exempt from general taxation:

2 (1) municipal or [,] state [, OR FEDERALLY OWNED] property, except that
3 (A) a private leasehold, contract, or other interest in the property is taxable
4 to the extent of the interest;

5 (B) notwithstanding any other provision of law, property acquired by
6 an agency, corporation, or other entity of the state through foreclosure or deed in
7 lieu of foreclosure and retained as an investment of a state entity is taxable;

8 (C) an ownership interest of a municipality in real property located
9 outside the municipality is taxable by another municipality; however, a borough may
10 not tax an interest in real property located in the borough and owned by a city in
11 that borough;

12 (2) household furniture and personal effects of members of a household;

13 (3) property used exclusively for nonprofit religious, charitable, cemetery,
14 hospital, or educational purposes;

15 (4) property of a nonbusiness organization composed entirely of persons with 90
16 days or more of active service in the armed forces of the United States whose conditions of
17 service and separation were other than dishonorable, or the property of an auxiliary of that
18 organization;

19 (5) money on deposit;

20 (6) the real property of certain residents of the state to the extent and subject to
21 the conditions provided in (e) of this section;

22 (7) real property or an interest in real property that is exempt from taxation under
23 43 U.S.C. 1620(d), as amended;

24 (8) property of a political subdivision, agency, corporation, or other entity
25 of the United States to the extent required by federal law; except that a private leasehold,
26 contract, or other interest in the property is taxable to the extent of that interest.

27 * Sec. 3. AS 29.45 is amended by adding a new section to read:

28 Sec. 29.45.295. COLLECTION OF DELINQUENT TAXES ON CERTAIN
29 GOVERNMENTAL PROPERTY. AS 29.45.300 - 29.45.490 do not apply to property taxable
30 under AS 29.45.030(a)(1)(B) or (C) or to federal property not exempted under
31 AS 29.45.030(a)(8). A municipality may bring an action in the superior court to compel payment

1 of property taxes due from the state, municipal, or federal entity if the entity does not pay the
2 amount due within six months after the date that the taxes are due.

3 * Sec. 4. AS 39.35.500 is amended to read:

4 Sec. 39.35.500. SAFEGUARD OF EMPLOYEE FUNDS HELD BY THE SYSTEM. Except
5 as provided in AS 29.45.030(a)(1), employee [EMPLOYEE] contributions and other amounts
6 held in the system are exempt from Alaska state and local taxes. Amounts held on behalf of, or
7 payable to, any employee or other person who is or may become eligible for benefits under the
8 system are not subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance,
9 or charge of any kind, either voluntary or involuntary, before being received by the person
10 entitled to the amount under the terms of the system. An attempt to anticipate, alienate, sell,
11 transfer, assign, pledge, encumber, charge, or otherwise dispose of a right to amounts held under
12 the system is void. However, an employee's right to receive benefits may be assigned under a
13 qualified domestic relations order.

14 * Sec. 5. AS 44.88.140(a) is amended to read:

15 (a) Except as provided in AS 29.45.030(a)(1), the [THE] real and personal property of
16 the authority and its assets, income, and receipts are declared to be the property of a political
17 subdivision of the state and, together with any project or development project financed under
18 AS 44.88.155 - 44.88.159 or 44.88.172 - 44.88.177, and a leasehold interest created in a project
19 or development project financed under AS 44.88.155 - 44.88.159 or 44.88.172 - 44.88.177,
20 devoted to an essential public and governmental function and purpose, and the property, assets,
21 income, receipts, project, development project, and leasehold interests shall be exempt from all
22 taxes and special assessments of the state or a political subdivision of the state, including, without
23 limitation, all boroughs, cities, municipalities, school districts, public utility districts and other
24 taxing units. All bonds of the authority are declared to be issued by a political subdivision of
25 the state and for an essential public and governmental purpose and to be a public instrumentality,
26 and the bonds, and the interest on them, the income from them and the transfer of the bonds, and
27 all assets, income and receipts pledged to pay or secure the payments of the bonds, or interest
28 on them, shall at all times be exempt from taxation by or under the authority of the state, except
29 for inheritance and estate taxes and taxes on transfers by or in contemplation of death. Nothing
30 in this section affects or limits an exemption from license fees, property taxes, or excise, income
31 or any other taxes, provided under any other law, nor does it create a tax exemption with respect

1 to the interest of any business enterprise or other person, other than the authority, in any property,
2 assets, income, receipts, project, development project, or lease whether or not financed under this
3 chapter. By January 10 of each year, the authority shall submit to the governor and the
4 legislature a report describing the nature and extent of the tax exemption of the property, assets,
5 income, receipts, project, development project and leasehold interests of the authority under this
6 section.

7 * Sec. 6. This Act takes effect January 1, 1992.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CSSB 70 (C&RA)

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act Relating to Taxation BRU: AK Industrial Dev. & Export Authority
 by Municipalities _____ Component: _____
 Sponsor: Pearce
 Requestor: Pearce COMPONENT SERIAL NO.

1	2	3	4
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.) Payment of taxes would approximate \$388.0 in FY 93. Foreclosure reserve account funds would be utilized which are not an operating or capital cost. The attached illustrates amounts payable by political subdivision using an estimated Mill rate. Amounts payable will vary with changes in the Mill rate and assessed valuation of properties included.

Prepared By: Bertram L. Wagon, Executive Director Phone: (907) 561-8050
 Division: AK Industrial Dev. & Export Authority Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - CSSB 70 (C&RA)

All costs associated with this legislation will be paid from AIDEA foreclosure reserves and do not require legislative appropriation.

Alaska Industrial Development and Export Authority:

The tax on \$27 million of defaulted loans at an average of 15 mills would equate to approximately \$420,000. Over the years, property acquired through foreclosures should decrease while the value of property will increase. The first payment to local governments would be January 1, 1992 which would occur in FY 93.

AS OF DECEMBER 31, 1990

<u>LOCAL GOVERNMENT</u>	<u>NUMBER OF PROPERTIES</u>	<u>ASSESSED VALUE</u>	<u>AIDEA PAYMENT (Excluding Bank Owned Portion)</u>
Municipality of Anchorage	41	\$15,828,742	\$257,080
Fairbanks North Star Borough	9	4,375,387	53,695
Kenai Peninsula Borough	13	4,442,086	42,840
Matanuska-Susitna Borough	10	2,269,530	27,968
City & Borough of Juneau	5	850,185	10,379
City & Borough of Sitka	1	501,480	6,174
City of Valdez	1	858,270	12,810
North Slope Borough	<u>1</u>	<u>507,045</u>	<u>9,314</u>
Total	<u>81</u>	<u>\$29,632,725</u>	<u>\$420,260</u>

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CSSB 70 (C&RA)

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act Relating to Taxation BRU: Investments
 by Municipalities _____ Component: _____
 Sponsor: Pearce
 Requestor: Pearce COMPONENT SERIAL NO.

	3	8	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)
 align="center">SEE ATTACHED

Prepared By: Martin Richard, Director Phone: 465-2510
 Division: Investments Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds *Glenn A. Olds*
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - CSSB 70 (C&RA)

Division of Investments:

All costs associated with this legislation will be paid from Investments' foreclosure reserves and do not require legislative appropriation.

The Division of Investments has reviewed the fund-owned repossessed property and estimated the property tax that would have been paid to municipalities in 1990 if the state were not exempt from property taxes.

Boroughs currently require the state to pay taxes the year that the property is repossessed. After notifying the boroughs that the property is owned by the state, future years' taxes are exempt.

The following breakdown by taxing jurisdiction has been adjusted for these amounts:

<u>BOROUGH</u>	<u>ESTIMATED 1991 R.E. TAXES</u>	<u>TAXES DUE UNDER CURRENT PROCEDURES</u>	<u>PROPOSED INCREASE</u>
Mat-Su	\$ 818.40		\$ 818.40
Anchorage	12,876.57	\$2,908.72	9,967.85
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Ketchikan	<u>238.25</u>	<u> </u>	<u>238.25</u>
	<u>\$20,681.81</u>	<u>\$4,528.28</u>	<u>\$16,153.53</u>

It is anticipated that the 1992 tax amounts would not be materially different from the 1991 taxes.

FISCAL NOTE

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

BILL NO. CSSB 70 (C&RA)

Revision Date: _____ Department Affected: Commerce & Economic Dev.
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 Requestor: Pearce COMPONENT SERIAL NO.

	3	8	3
--	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)
 align="center">SEE ATTACHED

Prepared By: Martin Richard, Director Phone: 465-2510
 Division: Investments Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds *Phillips Spec Ass II*
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - CSSB 70 (C&RA)

Division of Investments:

All costs associated with this legislation will be paid from Investments' foreclosure reserves and do not require legislative appropriation.

The Division of Investments has reviewed the fund-owned repossessed property and estimated the property tax that would have been paid to municipalities in 1990 if the state were not exempt from property taxes.

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It is anticipated that the 1992 tax amounts would not be materially different from the 1991 taxes.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CS SB 70 C&RA

Revision Date: _____ Department Affected: Community & Regional Affairs

Title: "An Act relating to taxation..of certain property of governmental...." BRU: _____
Component: _____

Sponsor: Senator Pearce

Requestor: Senate C&RA Committee

COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Administrative Services Date: 2/13/91

Approved by Commissioner: _____
Agency: Community & Regional Affairs Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 70

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act Relating to Taxation BRU: Investments
 by Municipalities _____ Component: _____
 Sponsor: Pearce
 Requestor: Pearce COMPONENT SERIAL NO.

	3	8	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Martin Richard, Director Phone: 465-2510
 Division: Investments Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - SB 70

Division of Investments:

All costs associated with this legislation will be paid from Investments' foreclosure reserves and do not require legislative appropriation.

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FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 70

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act Relating to Taxation BRU: AK Industrial Dev. & Export Authority
 by Municipalities _____ Component: _____
 Sponsor: Pearce
 Requestor: Pearce COMPONENT SERIAL NO.

1	2	3	4
---	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
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EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.) Payment of taxes would approximate \$388.0 in FY 93. Foreclosure reserve account funds would be utilized which are not an operating or capital cost. The attached illustrates amounts payable by political subdivision using an estimated Mill rate. Amounts payable will vary with changes in the Mill rate and assessed valuation of properties included.

Prepared By: Bertram L. Wagnon, Executive Director Phone: (907) 561-8050
 Division: AK Industrial Dev. & Export Authority Date: February 8, 1991
 Approved by Commissioner: Glenn A. Olds *Glenn A. Olds*
 Agency: Department of Commerce & Economic Development Date: February 8, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ANALYSIS - SB 70

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Alaska Industrial Development and Export Authority:

The tax on \$27 million of defaulted loans at an average of 15 mills would equate to approximately \$420,000. Over the years, property acquired through foreclosures should decrease while the value of property will increase. The first payment to local governments would be January 1, 1992 which would occur in FY 93.

AS OF DECEMBER 31, 1990

<u>LOCAL GOVERNMENT</u>	<u>NUMBER OF PROPERTIES</u>	<u>ASSESSED VALUE</u>	<u>AIDEA PAYMENT (Excluding Bank Owned Portion)</u>
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North Slope Borough	1	<u>507,045</u>	<u>9,814</u>
Total	81	<u>\$29,632,725</u>	<u>\$420,260</u>

