From: MAYOR

Subject: AN ORDINANCE AUTHORIZING THE ACQUISITION BY PURCHASE, OR LEASE WITH OPTION TO PURCHASE, OF REAL PROPERTY LEGALLY DESCRIBED AS: LOT 7A BLOCK C HEATHER MEADOWS SUBDIVISION (PLAT 77-149) (PID 009-161-51), LOTS 1 - 6 BLOCK C ROSEBUD SUBDIVISION (PLAT P-224A), (PID 009-161-32, 009-161-33, 009-161-34, 009-161-35, 009-161-36, 009-161-37), BLOCK 4A CENTRAL CITY SUBDIVISION (PLAT 76-245) (PID 003-241-29), THE IMPROVEMENTS ON LOT 1 BLOCK 33C USS 408 (PLAT 84-374) (PID 003-073-33), AND TRACT C GREEN VALLEY RESUBDIVISION NO. 1 (PLAT 73-210) (PID 010-193-22) (PROPERTIES) WITH AGGREGATE ACQUISITION AND RENOVATION COSTS NOT TO EXCEED TWENTY-TWO MILLION FIVE HUNDRED THOUSAND DOLLARS ($22,500,000).

Purpose of the Ordinance

This Ordinance authorizes the Municipality of Anchorage (MOA) to purchase real property (the “Properties”) and pay for acquisition by purchase, or lease with option to purchase, and renovation, for an aggregate amount not to exceed $22,500,000.

Background

To reduce the risk of a COVID-19 outbreak in the homeless population in Anchorage, the MOA organized a plan for Emergency Mass Care to meet CDC guidelines for sheltering this vulnerable group by standing up three municipal facilities to allow this population to social distance and sleep at least 6 feet apart. The Sullivan Arena and Ben Boeke Arena were established for shelter, meal distribution, showering and guest laundry, while the Dempsey Arena was established as a quarantine and isolation facility. A resource hub for this group has been set up in tents, located in the Ben Boeke Arena parking lot, providing referrals for housing, case management, medical treatment and other services.

The emergency shelters have now been consolidated in the Sullivan Arena with a maximum occupancy of 377 adults, the quarantine and isolation needs have been transferred to hotel rooms and the Ben Boeke and Dempsey Arenas have been demobilized and returned to service as hockey rinks.
In planning for the Sullivan Arena to be returned to service, the MOA anticipates the need to shelter those 377 adults in other facilities focusing on housing as many adults as possible, providing non-congregate shelter where possible, and minimizing congregate shelter. This need for sheltering would also include engagement centers (for daytime services and access to resources).

Four properties have been identified as potential facilities to convert into housing and a future treatment center; a midtown shelter with an engagement center; supported housing with a resource; and a downtown engagement center:

- The Bean’s Café (1101 E. 3rd Avenue) building on the downtown campus is currently being utilized for meal preparation and distribution, but may be the best location for a downtown engagement center to provide services to the unsheltered homeless population in that area, along with the clients at the Brother Francis Shelter (Appendix A).
- The Alaska Club (630 E. Tudor Road) on Tudor Road near the Old Seward Highway may be the best location for a midtown shelter with an engagement center for the unsheltered homeless population in that area (Appendix B).
- The Golden Lion Hotel (1000 E. 36th Avenue) may be the best location for a treatment center that would include step-down housing (Appendix C).
- America’s Best Value (4360 Spenard Road) has been identified as a potential facility for use as housing, with a resource center (Appendix D).

**Financing and Source of Funds**

The funds for acquisition and renovations of the Properties are proposed to come from, or to have been made available by, the State of Alaska, CARES Act Funds, appropriated with AR 2020-199, approved by the Anchorage Assembly on June 2, 2020.

**THE ADMINISTRATION RECOMMENDS APPROVAL OF THE ORDINANCE.**

Prepared by: Real Estate Department
Approved by: Robin E. Ward, Real Estate Director
Concur: Christopher M. Schutte, OECD Director
Concur: Lance Wilber, OMB Director
Fund Certification: Alexander Slivka, CFO

231802-9000000041-124304-57XXXX $22,500,000 (Alaska CARES Act Funds – Subject to Receipt of Executed Grant Agreement)

Concur: Kathryn R. Vogel, Municipal Attorney
Concur: William D. Falsey, Municipal Manager
Respectfully submitted: Ethan A. Berkowitz, Mayor

Appendices:
- Appendix A: Bean’s Café
- Appendix B: The Alaska Club
- Appendix C: Golden Lion Hotel
Appendix D: America’s Best Value