



In 2009, Alaska Housing Finance Corporation (AHFC) and its partners turbo-charged a modest state-funded program for special needs households experiencing, or at risk of, homelessness with a five-fold funding increase and a repurposed three-year roll-out plan. Upon completing the three year implementation, AHFC and its partners have provided new and stable supportive housing opportunities to 13.89% of the State's total homeless households reported by HUD in 2009¹.

Innovation: The Special Needs Housing Grant (SNHG) Program

Historically, the corporate-funded SNHG program provided small capital grants to nonprofits for construction / rehabilitation activities which served special needs households. Since these SNHG program funds did not cover supportive service or operating assistance, nonprofits trying to serve households with the intensive supportive service needs often faced prohibitive budget constraints.

In 2009, the SNHG program was repurposed into a one-stop-shop for capital, operating and supportive service grants to expand long term housing for special needs persons with intensive supportive service requirements. These SNHG funds serve persons that have experienced psychiatric hospitalization and / or incarceration, multiple / lengthy episodes of substance abuse treatment, and persons with disabilities experiencing, or at risk of, homelessness. Statewide, nonprofits applied for these multi-level SNHG funds through annual allocation cycles in 2009-2011.

While four distinct state sources funded the repurposed SNHG program, all applications and grants were managed through a single point of contact for grantees at AHFC. Projects awarded operating and supportive service funds were given awards totaling three years of need. In cases where both capital and supportive service funding were awarded to projects, an initial grant agreement was issued during the construction period and a second three-year grant agreement was issued for the operating period once the construction activities were completed. In 2012, the repurposed SNHG program implementation concluded and the SNHG program shifted into renewal mode for projects previously allocated operating and supportive service funding.

Is the SNHG Program Replicable?

The SNHG program relies on non-federal funding. It is 100% replicable with sufficient partnership, investment, and trust among stakeholders to designate a lead agency that will administer the comprehensive funding cycles and subsequent grant awards. Evidencing replicability potential, Norway's government recently invited AHFC to travel to Alta in March 2012² to present information on two Housing First projects recently funded through the SNHG program.

1 See HUD's COC Homeless Reports for Alaska at <http://www.hudhre.info/index.cfm?do=viewHomelessRpts>

2 Northern Housing Forum – The Borealis Conference; Alta, Norway; March 5-9, 2012; Mark Romick Presented.

Respond to Important State Housing Need

As the cost and scarcity of housing increases, populations with special needs face increasingly difficult prospects of finding supportive housing. The recent drop in state and federal match funding only exacerbates these challenges. Although special needs persons struggle with homelessness across Alaska, 60% of the homeless population lives in Anchorage. When the SNHG cycle began in 2009, Anchorage's surveyed rental vacancy rate was 4.5%³. Today, Anchorage's vacancy rate is 2.6% and the average rents have increased by 10% over the 2009 levels.

Over a single twelve month period, 21 outdoor homeless deaths were reported in Anchorage from 2009-2010. The press widely reported on many of these deaths involving homeless chronic inebriates. Two Housing First SNHG projects were designed specifically to address these needs.

Demonstrate Measurable Benefits to HFA Targeted Customers

In 2009, HUD reported the number of homeless households in Alaska at 1,475. Upon concluding the three years of SNHG allocations, 205 special needs households experiencing, or at risk of, homelessness were provided new supportive housing opportunities as a direct result of the program's efforts. This represents 13.89% of the total 2009 homeless households reported by HUD. Of the 205 households served, 160 households (10.86% of the 2009 homeless household count) were provided newly constructed or rehabilitated dwelling units through SNHG capital funding.

Programs and facilities funded during the 2009-2011 period serve diverse special needs populations in eight separate Alaskan communities. These projects helped reduce homelessness across the following special needs populations: victims of domestic violence, persons with disabilities, and persons with addictive behaviors -through Housing First facilities.

Have a Proven Track Record of Success in the Market Place

In April, 2012, grantees awarded SNHG supportive service and operating grants reported 93.58% project occupancy / utilization. The special needs households served by those grantees reported being stably housed for seven months or longer in 79.31% of the cases. In each year the SNHG funds were available, requests exceeded the SNHG subsidies available. Although critical comments on SNHG applications were occasionally received, all funded projects are operating well.

Provide Benefits that Outweigh Costs

On average, \$2.1M in annual SNHG funds was awarded for operating and supportive service costs. Using these funds, SNHG grantees facilitate supportive housing solutions for 187 households per year through operating and support services awards. These SNHG awards translate to \$31 per day for every household served by our grantees. Average SNHG capital awards / unit were \$82k; by comparison, average LIHTC awards / unit over the same period were \$171k. The following page provides a table which compares the daily costs of alternative housing scenarios for special needs households to help put savings from Alaska's SNHG operating and support service grants in context.

³ See http://www.ahfc.us/grants/housing_market_indicators.cfm#Annual_Rental_Market_Survey

HFA: Alaska Housing Finance Corporation
Entry Name: Special Needs Housing Grant Program

Comparative Social Costs in Alaska by Housing Type ⁴				
Housing Type	SNHG Project	Prison	Psychiatric Hospital	Medical Hospital
Daily Social Cost	\$31 / household	\$136 / person	\$1,200 / person	\$1,600 / person

Demonstrate Effective Use of Resources

As illustrated above and previously, the SNHG program delivers the most quantitatively cost effective supportive housing solutions from both capital and social cost perspectives. To drill-down further into the performance outcomes, AHFC and the Alaska Mental Health Trust Authority (AMHTA) recently partnered to commission research and evaluation on the repurposed SNHG program. This longitudinal work began in 2012 by the University of Alaska's Institute for Circumpolar Health Services and the Center for Alcohol and Addiction Studies.

Effectively Employ Partnerships

The Alaska Council on Homelessness (ACOH) receives semi-annual SNHG program updates and provides recommendations for future SNHG program modifications. Since 2009, SNHGs have been state-funded through a combination of AHFC's retained earnings, State general funds, AMHTA contributions, and Alaska's Department of Health and Social Services funds. All SNHG program funding partners serve on the ACOH, which is chaired by AHFC's CEO. AHFC handles the application, underwriting and grants management, and its supportive service partners in evaluate the effectiveness of the service plans proposed and executed by SNHG grantees.

Achieve Strategic Objectives

Given Alaska's relatively small population and state program resources, framing what the SNHG program has accomplished requires scale. Over the past three years, newly dedicated SNHG units (160 total) represent 10.85% of the total Alaskan households reported by HUD as homeless in 2009. If larger states were to match Alaska's 10.85% statistic (using their HUD 2009 Homeless household count⁵), New York (NY) would need 3,742 new units and Texas (TX) would need 2,666 new units. If the NY and TX capital investments matched those made in Alaska to generate our 10.85% figure (\$81,999/unit), NY would need \$306,478,829 and TX would need \$218,367,720 to hit those three-year production goals.

When operating and supportive service SNHG awards are added to the capital production, the total number of new supportive housing opportunities rises to 205 (13.89% of Alaska's 2009 homeless household count). Matching that statistic would require larger states make even higher investments on top of the already attention grabbing figures from the previous paragraph. In any state, putting a 13.89% dent in a baseline year's homeless numbers is huge. Accomplishing this all through a state-funded partnership makes it a story we are incredibly proud to share.

4 Social Costs Source: Moving Forward, Comprehensive Integrated Health Plan 2006-2011, Alaska Department of Health and Social Services, 2009.

5 See HUD's 2009 COC Homeless Rpts for AK, NY, TX <http://www.hudhre.info/index.cfm?do=viewHomelessRpts>
2009 Homeless Household Count = 1,475 for Alaska, 34,498 for New York, and 24,580 for Texas.

*Testimonial from a SNHG tenant in project funded in 2009
Name and address information has been redacted for privacy*

My name is [REDACTED] and I have lived in Alaska all my life. The building next to Brother Francis is named after my father-[REDACTED]. Alcoholism is an equal opportunity employer. I have struggled with alcohol for 25 years. I have been homeless for 15 years. Every time I drank I ended up being homeless. I would be homeless right now if it wasn't for the Housing First case manager and RurAL CAP's special needs housing. I live at [REDACTED] in Anchorage

I have been sober for two and a half years. I have been in housing for two years. I have a lot of medical and dental issues and now I am taking care of those. I am cooking nutritious meals and going to AA and NA. The types of problems I used to think about were getting a place to stay for the night and where I would be able to eat. Now, I have taken care of my legal issues, my health problems and I have made my apartment a home. I take pride in my place and I have not been picked up by emergency services for over two years.

Having a safe place to live makes it easier to stay sober. I have a lot more to lose now that I have an apartment and it helps me choose not to drink.

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Housing People First in a Northern Climate

Mark Romick, Director
Planning and Program Development

Desire for Northern Living
Northern Housing Forum/The Borealis Conference
Alta, Norway
5th-9th March, 2012

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Profile of Homeless in Alaska

- 2011 Point in Time Count - 6,640
- 11% Chronic substance abuse
- 8% severely mentally ill
- 5% chronically homeless
- 3% unaccompanied youth under 18

2011 Homeless Point-In-Time Count, Alaska Housing Finance Corporation

1

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Main Reason Given for Homeless Prevention Services

Reason	Percentage
all other	26%
Low wages	23%
Unemployed	25%
Domestic violence	3%
legal issues	9%
Illness/injury/maternity	14%

Alaska Homeless Management Information System (AKHMIS) 2010-2011

2

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Profile of Homeless in Alaska

- In urban area's most are individuals. Statewide families are fastest growing segment.
- 60% live in Anchorage
- All minorities over represented – native Alaskans the greatest
- Anchorage (pop. 277,000) had 13 outdoor homeless deaths in 2009 and 14 in 2010, 21 of them within a 12 month period.
- Between 2007-2008 Fairbanks (pop. 31,500) had 6 cold weather deaths related to homeless chronic inebriates

Alaska Homeless Management Information System (AKHMIS) 2010-2011
2011 Homeless Point-In-Time Count, Alaska Housing Finance Corporation

3



Alaska's Approach to Homelessness

- Increase focus on Prevention and Intervention for families and economic homelessness
- Permanent Supportive Housing Development
 - Earlier development efforts did not link support services or operating assistance – 100 units developed
 - In 2009 – Developed Homeless Assistance Fund \$4.75M USD (26.3M NOK) brought capital, supportive services and operating assistance together.
 - Housing First Model – focus on chronic homeless



Housing First

- is a model of permanent supportive housing that departs from the traditional approach of addressing chronic substance abuse in vulnerable populations. The Housing First model moves people straight from homelessness to permanent housing without first living in emergency shelters or transitional housing programs. The theory emphasizes that providing a safe place to live is the most important factor in allowing people to gain skills for improved self-sufficiency and community re-integration. Sobriety or abstinence from the addictive behaviors is not required, but encouraged through voluntary access to a variety of support services.



Where is it being Used ?

- US- over 40 different Cities in 13 states
- Canada – Vancouver, Winnipeg, Toronto, Montreal, and Moncton
- Europe – Netherlands, Hungary, Denmark, Scotland, Portugal, Sweden, Ireland, Belgium, Finland and Austria



Comparison of Approach

Housing First Model

- Occupancy moves from the street to permanent housing
- Services individualized to needs of client
- Not focused on abstinence, but the removal from a harmful environment
- Participant choice regarding the type, frequency and sequence of services,
- Type of housing that is otherwise available to people without disabilities (scattered sites or centralized)

Traditional Model

- Step wise movement from streets to emergency to transitional
- Occupancy conditioned on maintenance of abstinence
- "coercive" provision of treatment services
- Services determined through behavioral methodologies
- Central residential facility



Social Costs of Chronic Homeless

- Emergency services – police, fire, ambulance, emergency room visits
- Hospitalization – medical, psychiatric
- Incarceration and arrest
- Substance Abuse Treatment

8



Housing First Research

- *Permanent Supportive Housing: An Operating Cost Analysis*, Corporation for Supportive Housing, 2011 for Enterprise Community Partners, Inc.
- *Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons With Severe Alcohol Problems*, Mary E. Larimer, PHD, et.al., Journal of American Medical Association, April 1, 2009 – Vol. 301, No.13.
- *Housing First Services for People Who Are Homeless With Co-Occurring Serious Mental Illness and Substance Abuse*, Deborah K. Padgett, Leyla Gulcur, and Sam Tsemberis, Research on Social Work Practice, Vol. 16, No. 1, January 2006.

9



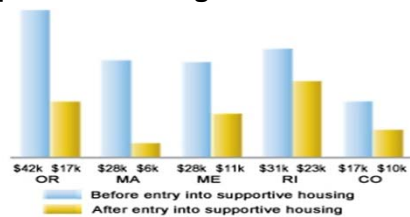
Housing First Research

- *Housing First for Homeless Persons with Active Addiction: Are We Overreaching?* Stefan G. Kertesz, Kimberly Crouch, Jesse Milby, et.al., University of Alabama at Birmingham, Division of Preventative Medicine, as published in PubMedCentral, National Institute of Health, July 25, 2011.
- *“Housing First” as a means of addressing multiple needs and homelessness*, Ian Atherton, Carol McNaughton Nicholls, Centre for Housing Research, University of St. Andrews, National Centre for Social Research, London, European Journal of Homelessness, Vol. 2, December 2008.

10



Reductions in Utilization of Major Services Before and After Entry into Supportive Housing



Sources: Perlman, 2006; MSHA, 2008; Hirsch, 2007; Mondello, 2007; Moore 2006 as reprinted at http://www.usich.gov/issue/economic_value_of_ending_homelessness

11

Benefits of the HF Model of Supportive Housing

- Increased housing retention rates when compared to traditional treatment or abstinence based models
- Reduction in social costs equivalent/greater than cost of housing first programs
- Improved Quality of Life of residents
- Better community re-integration

Areas for Additional Research

- Most study periods are less than 2 years
- Use of model for persons with severe addictions
- Strict *Housing First* use of scattered sites versus centralized
- Defining social costs uniformly
- Explore the role of community re-integration in service delivery

13

Social Costs in Alaska

- Average daily cost to house one prisoner - \$136 USD (753 NOK)
- Average daily cost in state psychiatric hospital - \$1,200 USD (6,641 NOK)
- Average daily cost of hospital stay - \$1,600 USD (8,885 NOK)*

*Source: Moving Forward, Comprehensive Integrated Health Plan 2006-2011, Department of Health and Social Services, 2009

14

Alaska Experience

- Jericho Road Housing First Project – Sitka
 - Tracked six homeless residents 6 month prior and 6 months during occupancy
 - They were found to have used \$21,100 worth of public services, \$162,375 less than their estimated use of services in the six months prior to occupancy
 - Total savings to community after accounting for cost of program was estimated to be \$100,000 USD (\$556,000 NOK).

Jericho Road, Sitka Alaska First Year Evaluation, August 24, 2009, Chandler O'Connell, Harvard University

15

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Alaska Experience

Bridge Home Program

The Bridge Home program showed substantial reductions in the admissions and duration of time spent in prison (DOC) and in the state psychiatric hospital (API).

Program offers rental assistance for scattered sites with mobile case management and support services.

Program	Admits to API	Admits to DOC (inlet)
Other program	~25	~18
Bridge program	~12	~10
Mkt program	~18	~12

Program	Days in API	Days in DOC
Other program	~550	~450
Bridge program	~250	~200
Mkt program	~400	~300

*API = Alaska Psychiatric Institute; **DOC = Department of Corrections
Number of Admits = 18,000; Days in DOC = 1,000,000

Alaska Mental Health Trust Authority, *Affordable Housing Focus Area*, Annual Report, October 2010

16

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Research and Evaluation for Alaska Projects

- Contractors: UAA Institute Circumpolar Health Services and the Center for Alcohol and Addiction Studies (CAAS)
 - Methodology
 - Resident/control group surveys (short term and longitudinal), community surveys, social cost data
 - Research Questions
 - Health outcomes
 - Social Cost changes
 - How does community re-integration impact improving health and housing retention outcomes
 - Time frame for results
 - Anecdotal now – few stop drinking, positive health outcomes,
 - Formal analysis Fall 2012 – 2-3 year study

17

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Housing First Projects in Alaska

- Karluk Manor - Anchorage
- TCC Housing First Project - Fairbanks

Model replications of the 1811 Eastlake project in Seattle, WA

18

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Karluk Manor - Anchorage

- Sponsor
 - RuralCap (NGO) operates Weatherization, Head Start, Homeownership, and Supportive Housing programs
- Tenant Population
 - Chronic Homeless, disabled, substance abuse
- Services
 - Case management, meal services, community integration activities
 - Other services provided on voluntary basis through 3rd party service provider

19

Karluk Manor - Anchorage

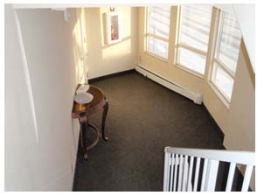
- Project Opened December 2011
 - Old hotel – two buildings – 46 units
 - Renovation/purchase cost - \$1.9M USD (10.5M NOK)
 - Seven different fund sources – federal, state, local government and philanthropic foundation
 - Combined operating and service support costs of approximately \$15,000 USD (83,000 NOK) per unit/year
 - Sponsor based rental assistance through HUD/AHFC

20

Karluk Manor
Anchorage, Alaska



Karluk Manor
Interiors



TCC Housing First Project

- Sponsor
 - Tanana Chief's Conference – consortium of the 42 villages of Interior Alaska provides weatherization, health services, economic development support services.
- Tenant Population
 - Chronic Homeless, disabled, substance abuse
- Services
 - Case management, meal service, exercise room
 - Other services provided on voluntary basis through 3rd party service provider

TCC Housing First Project

- Project – Opening March 2012
 - Old hotel – single building 47 units out of 102
 - Other portion of building will be medical hotel
 - Renovation/purchase - \$2.1M USD (11.6M NOK)
 - Combined operating and service support costs of approximately \$22,000 USD (122,000 NOK) per unit/year
 - Majority of funds through Alaska Housing Finance Corporation

24



TCC Housing First Project
Fairbanks, Alaska



TCC Housing First Project
Interiors



More Info

- www.csh.org
- www.endhomelessness.org
- www.pathwaystohousing.org
- www.desc.org
- www.usich.gov