

# MUNICIPALITY OF ANCHORAGE



## ASSEMBLY MEMORANDUM

No. AM 386-2022

Meeting Date: July 12, 2022

1 **From: Assembly Members Perez-Verdia and Rivera**

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3 **Subject: A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY**  
4 **APPROPRIATING WHEN TENDERED AN AMOUNT NOT TO**  
5 **EXCEED THREE MILLION FOUR HUNDRED THOUSAND**  
6 **DOLLARS (\$3,400,000) AS A DIRECT GRANT FROM THE**  
7 **AMERICAN RESCUE PLAN ACT OF 2021 LOCAL FISCAL**  
8 **RECOVERY FUNDS TO FIRST PRESBYTERIAN ANCHORAGE,**  
9 **LLC FOR PURCHASE OF THE GUEST HOUSE.**

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12 The Guest House will convert 130 hotel units to housing for those who are  
13 employed, workforce-ready, and/or need permanent supportive housing. This is part  
14 of the facilitated plan's target for adding 300 housing units for these populations of  
15 people experiencing homelessness. The facilitated plan identified funding sources  
16 to implement the various projects included in the plan. Specifically, the facilitated  
17 plan identified \$3.4M from HUD funds known as HOME-ARP, that are administered  
18 by AHD, to help pay for the Guest House acquisition. The remainder of the  
19 purchase price comes from philanthropy and a prior MOA investment.

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21 AHD was to begin the process to have those funds approved for use by HUD last  
22 February. AHD did not begin the process until a few weeks ago and now says the  
23 soonest it can be through HUD is November. Further AHD says the maximum funds  
24 would be only \$3.2M instead of \$3.4M. Both the timing and the amount jeopardize  
25 completing the Guest House purchase which is set to close at the end of August.

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27 Also, the Guest House is now transitionally housing between 130-150 people who  
28 have left the pandemic mass care response facilities. The funding for that  
29 transitional housing ends at the end of August. The plan has been to convert the  
30 current Guest House residents to housing leases post-closing and the funds for that  
31 can only be used for housing leases.

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33 Without this funding, the Guest House purchase may be lost. And, even if the owner  
34 agreed to a closing extension, the residents currently residing there would not be  
35 able to stay because there are no funds for that. This puts 130-150 more people at  
36 risk of joining the already several hundreds of people currently without housing or  
37 shelter.

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39 The Department of Treasury issued a final rule that became effective April 1, 2022  
40 to provide greater detail on allowable uses of this funding for local communities  
41 received from the American Rescue Plan Act of 2021. They further released fact  
42 sheets on how state, local, and Tribal governments are using these funds to keep  
43 families in their homes and making more affordable housing available in their

1 communities. You can find this fact sheet at the following link:  
2 <https://home.treasury.gov/system/files/136/SLFRF-Housing-Investments->  
3 [Factsheet.pdf](https://home.treasury.gov/system/files/136/SLFRF-Housing-Investments-Factsheet.pdf)

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5 **I request your support for the resolution.**

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7 Prepared by: Assembly Counsel  
8 Respectfully submitted: Kameron Perez-Verdia, Assembly Member  
9 District 3, West Anchorage  
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11 Felix Rivera, Assembly Member  
12 District 4, Midtown Anchorage  
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