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Subject: Update to Assembly Work Session on Winter Homelessness Strategy and Shelter

I. Background

The LaFrance administration is committed to addressing homelessness head-on through a funded strategy to:

- Significantly reduce unsheltered homelessness
- Increase access to behavioral and physical healthcare services
- Add new housing units and increase access to existing units
- Harness partnerships, funding, and data to increase results

The most immediate need involves standing up shelter and services for winter. Winter shelter is a matter of life and death in a cold-weather city like Anchorage. The administration is focused on delivering shelter to keep hundreds of residents off the streets and out of the cold.

Along with congregate and non-congregate shelter beds, the administration, via the recently released 2025 budget, has also committed resources to housing individuals throughout the winter, so that fewer people are sleeping outside come spring.

II. Congregate Shelter

The congregate shelter at 56th Ave will continue to operate through the winter. As identified in the 2025 budget, the shelter will also remain open throughout 2025, with the Municipality matching the State of Alaska's grant to provide year-round shelter service.

The 56th Ave shelter typically holds 200 beds and served over 2,000 people in 2024.

As outlined in the RFP, the aim of the Emergency Shelter is to: 1. preserve life, health, and safety; 2. help people experiencing unsheltered homelessness in Anchorage to quickly find safe alternatives to the streets and encampments through shelter in a peer-supported, congregate shelter that focuses on rapid exits to permanent housing or appropriate supportive services; and 3. promote system transformation to rapidly exit individuals and couples from congregate shelters to permanent housing.

The Municipality issued RFP 2024P041 to identify an operator for winter (typically October through April) shelter services at the shelter.

The Request for Proposal (RFP) process was used to identify an operator. Per the RFP posted, the evaluation committee, which consisted of internal MOA employees and external partners, reviewed and scored the proposals. The standard RFP process awards to the highest scored proposer. A recommendation of award (ROA) is then forwarded to Purchasing, which shares an Intent to Award. From there, the AR/AM is developed and routed for Assembly approval or disapproval.

After a competitive RFP process, Catholic Social Services was the highest scoring bidder and advanced as the selected operator of the 56th Ave shelter starting October 13, 2024.

Details:

RFP #	2024P041
RFP	Provide Congregate Shelter Services
Date issued	August 1, 2024
Proposals due	September 10, 2024
Number of bidders	3
Selected vendor	Catholic Social Services
Service	Provide shelter operations for congregate shelter at 1111 56 th Avenue
Number of beds	200
Contract Award	\$3,587,600
Period of Performance	October 13, 2024 – April 30, 2025

III. Non-Congregate Shelter

The Municipality issued RFP 2024P042 in August of 2024, which stated the following: “AHD is requesting a Contractor or multiple Contractors to provide non-congregate sheltering locations and supportive services at these locations for the period of October 15, 2024, through April 15, 2025. AHD estimates a need for non-congregate shelter locations and services for up to 400 with possible expansion, individuals experiencing homelessness.”

Proposals were due at 12:00 PM local time on August 30, 2024.

The Request for Proposal (RFP) process was used. Per the RFP posted, the evaluation committee, which consisted of internal MOA employees and external partners, reviewed and scored the proposals. The standard RFP process awards to the highest scored proposer. A recommendation of award (ROA) is then forwarded to Purchasing, which

shares an Intent to Award. From there, the AR/AM is developed and routed for Assembly approval or disapproval.

Henning Inc. was the highest scoring bidder in the RFP process and advanced as the selected contractor.

Details:

RFP #	2024P042
RFP	Provide Non-Congregate Shelter Services
Date issued	August 1, 2024
Proposals due	August 30, 2024
Number of bidders	2
Selected vendor	Henning Inc.

Service	Provide shelter operations for non-congregate shelter in Anchorage
Initial Number of beds	500
Initial Contract Award	\$9,177,800
Period of Performance	October 15, 2024 – April 30, 2025

As identified in their proposal, the locations that will be used to provide non-congregate beds include: Alex Hotel, Chelsea Inn, Merrill Field Inn, and Henry House. Contract negotiations are in process to determine final number of beds and contract award.

Potential conflicts

The administration, via the Municipal Attorney’s Office, has requested a determination from the Board of Ethics around any potential conflicts regarding a former Municipality of Anchorage employee who currently works at Henning Inc. The Board of Ethics’ initial determination was provided verbally on October 4, 2024 and the board determined there was no conflict of interest.

IV. Food Services for Congregate and Non-Congregate Shelter

The Municipality issued RFP 2024P040 for Shelter Food Services on August 1, 2024. The RFP closed on September 10, 2024. An intent to award has not yet been issued by Purchasing.

V. Third Party Oversight

The Municipality issued RFP 2024PO47 for oversight of shelter operations at locations within the non-congregate shelter sites and at the 56th Ave congregate shelter.

The RFP for Third Party Oversight closed on September 19, 2024. No proposals were received.

The administration is committed to ensuring third party oversight and would like to work with the Assembly to identify criteria and issue a new RFP for Third Party Oversight of Municipal-funded shelter services.

VI. Housing

The recently released 2025 proposed budget also includes funding for housing and case management. The administration plans to put this service out to bid, with a goal of standing up programming in November 2025. The expectation is that at least 75 individuals will move directly into housing this winter and spring through these efforts.

The budget also includes a second phase of the Next Step Initiative, a housing program that has already moved XX individuals directly from unsheltered homelessness into housing.

The administration is focused on delivering basic safety net services, including shelter, along with housing to reduce the number of people experiencing homelessness in Anchorage.