



August 15, 2023

Mayor Dave Bronson
632 W. 6th Ave., Suite 850
Anchorage, AK 99501

Municipal Manager Kent Kohlhase
632 W. 6th Ave., Suite 850
Anchorage, AK 99501

Re: Questions Regarding the Tudor/Elmore Adult Shelter and Navigation Center for August 18 Worksession and August 22, 2023 Regular Assembly Meeting

Dear Mayor Bronson and Mr. Kohlhase,

As you know, AR 2023-182(S), to appropriate \$11.1 Million to the Tudor/Elmore Adult Shelter and Navigation Center construction project is scheduled for the August 22 Regular Assembly Meeting. A worksession on the item is scheduled for this Friday, August 18.

When this item was brought up in June 2023, the municipal CFO informed the Assembly that the funds identified for the proposal (Areawide GF Fund Balance) did not exist. Additionally, your project team presented a very rough operations budget, but did not identify a fund source. Throughout this project, we have only received rough estimates for construction and operations costs and those estimates continue to escalate. To this date, we have yet to hear a verifiable not-to-exceed amount for this project. Clarity is necessary for the Assembly, as well as the public, to weigh the decision before us.

I am writing you with a series of questions in advance that I hope you can respond to before the worksession on August 18.

1. Do you have a more detailed and feasible budget for completing this capital project to the point it is ready to stand up operations? Please include all construction costs, as well as furniture, fixtures and equipment.
2. Have you identified a fund source to pay for all of the above capital costs? If so, what is that source? Will it repurpose prior appropriations?
3. Have you further developed the proposed operating budget since you presented a draft at the June 16 worksession on AR 2023-182(S)? At that meeting, Assembly Members expressed that the budget presented was too high and asked for a modified budget, but we have seen nothing to date.

4. Have you identified a fund source to pay for operational costs to open the facility at the end of 2023? If so, what is that source? And, to pay for annual operations costs for 2024, and the fund source?
5. Have you secured all permits needed for construction?
6. Have the Sprung Structure design plans been reviewed and approved by the Building Official, verifying that the structure is capable of withstanding expected snow and wind loads and potential earthquake damage?

As the stewards of the funds of the taxpayers of the Municipality, the Assembly cannot make multi-million-dollar financial commitments without adequate and realistic budgets and fund sources. With respect to the Adult Shelter/Navigation Center, we can only appropriate the budget requests that you make, and until you submit a realistic budget, our hands are tied. Furthermore, it is irresponsible to spend funds that we don't have. We do believe that there is funding available to pay for at least some of Anchorage's shelter and navigation service needs, but we need the CFO to confidently identify those funds before a vote on funding a shelter.

Our community needs a permanent year-round low-barrier adult shelter and the Assembly stands by ready to help, but the project proposal tasks require executive branch knowledge and resources, so our ability to move this forward depends on you and your staff. The Assembly and our entire community are counting on you and your team to develop a reasonable plan that can be implemented as soon as possible. I implore you to respond thoroughly to these questions so we can enter the August 22 meeting fully prepared and ready to make a decision.

Sincerely,



Christopher Constant,
Assembly Chair



Felix Rivera
Chair, Housing and Homelessness Committee

Cc: Alexis Johnson – Housing and Homelessness Coordinator
Mario Bird – Chief of Staff
Anne Helzer– Municipal Attorney
Alden Thern – Acting CFO
Courtney Petersen – Director, Office of Management and Budget
Assembly Members