

MEETING AGENDA

Meeting: Board of Trustees
Date: January 24-25, 2023
Time: 8:30 AM
Location: online via webinar and teleconference
Teleconference: (844) 740-1264 / Meeting Number: 2450 878 0486 # / Attendee No: #
<https://alaskamentalhealthtrust.org/>
Trustees: Anita Halterman (Chair), Verné Boerner, Rhonda Boyles, Kevin Fimon, Brent Fisher, Agnes Moran, John Sturgeon

Tuesday, January 24, 2023

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8:30	Call to Order – Anita Halterman, Chair	
	Roll Call	
	Approval of Agenda	
	Review of Guiding Principles	6
	Ethics Disclosure	
	Approval of Minutes	
	• November 16-17, 2022	13
	Current Bylaws	33
8:35	Mission Moment	
	Polaris House	
	• Hazel LeCount, Executive Director	
9:00	Staff Report	
	CEO Update	
9:30	Program & Planning Report / Update	40
	• Providence Health & Services, Alaska Crisis Stabilization Center Phase II Ramp Up & Launch Approval	
10:00	Resource Management Committee Report / Update	59
	• Sitka Tiny Houses Approval	
10:30	Break	
10:45	Trust Meeting Dates	
	• Steve Williams, CEO	

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- 11:00** **Dept of Health / Dept of Family and Community Services**
- Heidi Hedberg, Commissioner, Department of Health
 - Kim Kovol, Commissioner, Department of Family and Community Services
- 11:30** **Working Lunch / Catered**
- 12:15** **Public Comment**
- For Public Comment Guidelines click [here](#)
- 12:45** **Statutory Advisor Update** 98
- Bev Schoonover, Executive Director, Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse
 - Jon Haghayeghi, Executive Director, Alaska Commission on Aging
 - Patrick Reinhart, Acting Executive Director, Governor's Council on Disabilities and Special Education
- 2:00** **Recess**

Wednesday, January 25, 2023

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8:30	Assemble at Alaska State Capitol, Room #532	
9:00	Senate Finance Committee Presentation Alaska State Capitol, Room #532	
11:30	Call to Order Announcements	
11:40	Alaska SHARP Program <ul style="list-style-type: none"> Robert Sewell, Ph.D., SHARP Program Manager 	
12:00	Catered Lunch	
12:30	Re-Entry Simulation Orientation <ul style="list-style-type: none"> Travis Welch, Program Officer 	
12:45	Trustee Comments	
1:00	CEO Annual Performance Evaluation (continued) Executive session – (if necessary) <i>In accordance with the Open Meetings Act, AS 44.62.310(c).</i> Confidential webinar link / call in number for Trustees	
3:00	Adjourn	

Additional Documents

• Audit & Risk Committee Report	151
• Finance Committee Report	153

Future Meeting Dates

Full Board of Trustees / Program & Planning / Resource Management / Audit & Risk / Finance

(Updated – January 2023)

- | | | |
|--------------------------------|-----------------------------|------------------------|
| • Full Board of Trustees | January 24-25, 2023 | (Tue, Wed) – Juneau |
| | | |
| • Audit & Risk Committee | April 19, 2023 | (Wed) |
| • Finance Committee | April 19, 2023 | (Wed) |
| • Resource Mgt Committee | April 19, 2023 | (Wed) |
| • Program & Planning Committee | April 20, 2023 | (Thu) |
| • Full Board of Trustees | May 24-25, 2023 | (Wed, Thu) – TBD |
| | | |
| • Audit & Risk Committee | July 25, 2023 | (Tue) |
| • Finance Committee | July 25, 2023 | (Tue) |
| • Resource Mgt Committee | July 25, 2023 | (Tue) |
| • Program & Planning Committee | July 26-27, 2023 | (Wed, Thu) |
| • Full Board of Trustees | August 29-30, 2023 | (Tue, Wed) – Anchorage |
| | | |
| • Audit & Risk Committee | October 19, 2023 | (Thu) |
| • Finance Committee | October 19, 2023 | (Thu) |
| • Resource Mgt Committee | October 19, 2023 | (Thu) |
| • Program & Planning Committee | October 20, 2023 | (Fri) |
| • Full Board of Trustees | November 15-16, 2023 | (Wed, Thu) – Anchorage |
| | | |
| • Audit & Risk Committee | January 4, 2024 | (Thu) |
| • Finance Committee | January 4, 2024 | (Thu) |
| • Resource Mgt Committee | January 4, 2024 | (Thu) |
| • Program & Planning Committee | January 5, 2024 | (Fri) |
| • Full Board of Trustees | Jan 31 – Feb 1, 2024 | (Wed, Thu) – Juneau |

Future Meeting Dates Statutory Advisory Boards (Updated – December 2022)

Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse

AMHB: <http://dhss.alaska.gov/amhb/Pages/default.aspx>

ABADA: <http://dhss.alaska.gov/abada/Pages/default.aspx>

Executive Director: Bev Schoonover, (907) 465-5114, bev.schoonover@alaska.gov

- Executive Committee – monthly via teleconference 10am (2nd Wednesday of the Month)
- Winter Meeting: January 11, 2023 1pm – 4pm / via Zoom

Governor’s Council on Disabilities and Special Education

GCDSE: <http://dhss.alaska.gov/gcdse/Pages/default.aspx>

Acting Executive Director: Patrick Reinhart, (907)269-8990, patrick.reinhart@alaska.gov

- Winter Meeting: February 14-16, 2023 / TBD

Alaska Commission on Aging

ACOA: <http://dhss.alaska.gov/acoa/Pages/default.aspx>

Executive Director: Jon Haghayeghi, (907) 465-4879, jon.haghayeghi@alaska.gov

- Spring Meeting: March 1-3, 2023 (tentative) / Juneau TBD

**The Trust's
Guiding Principles /
Mission Statement /
Trust Budget
Process Flowcharts**

Trust Guiding Principles

To improve the lives of Trust beneficiaries, The Trust is committed to:

Education of the public and policymakers on beneficiary needs;

Collaboration with consumers and partner advocates;

Maximizing beneficiary input into programs;

Continually improving results for beneficiaries;

Prioritizing services for beneficiaries at risk of institutionalization or needing long-term, intensive care;

Useful and timely data for evaluating program results;

Inclusion of early intervention and prevention components in programs;

Provision of reasonably necessary beneficiary services based on ability to pay.

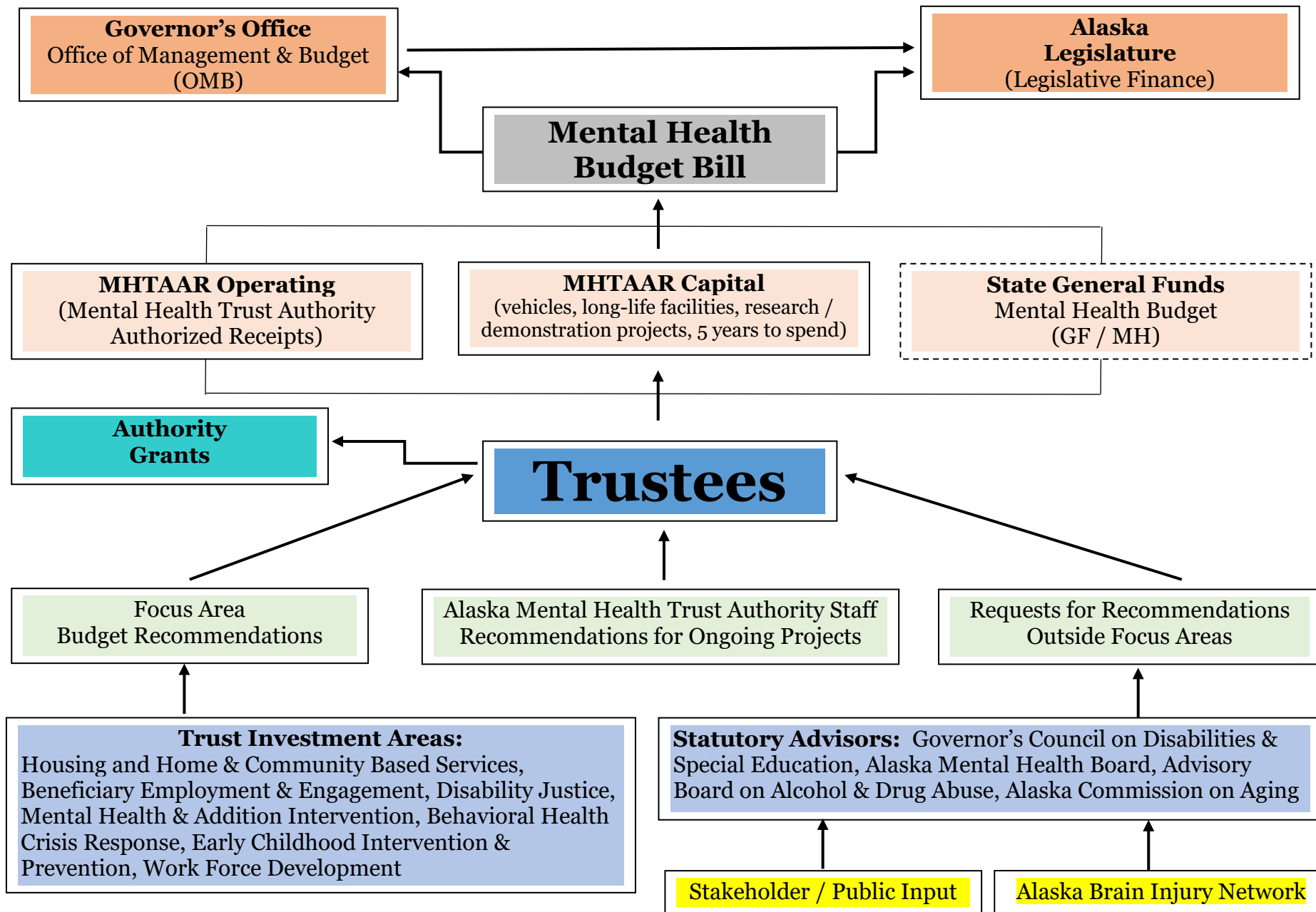
Approved 5-12-09, Board of Trustee meeting

Trust Mission Statement

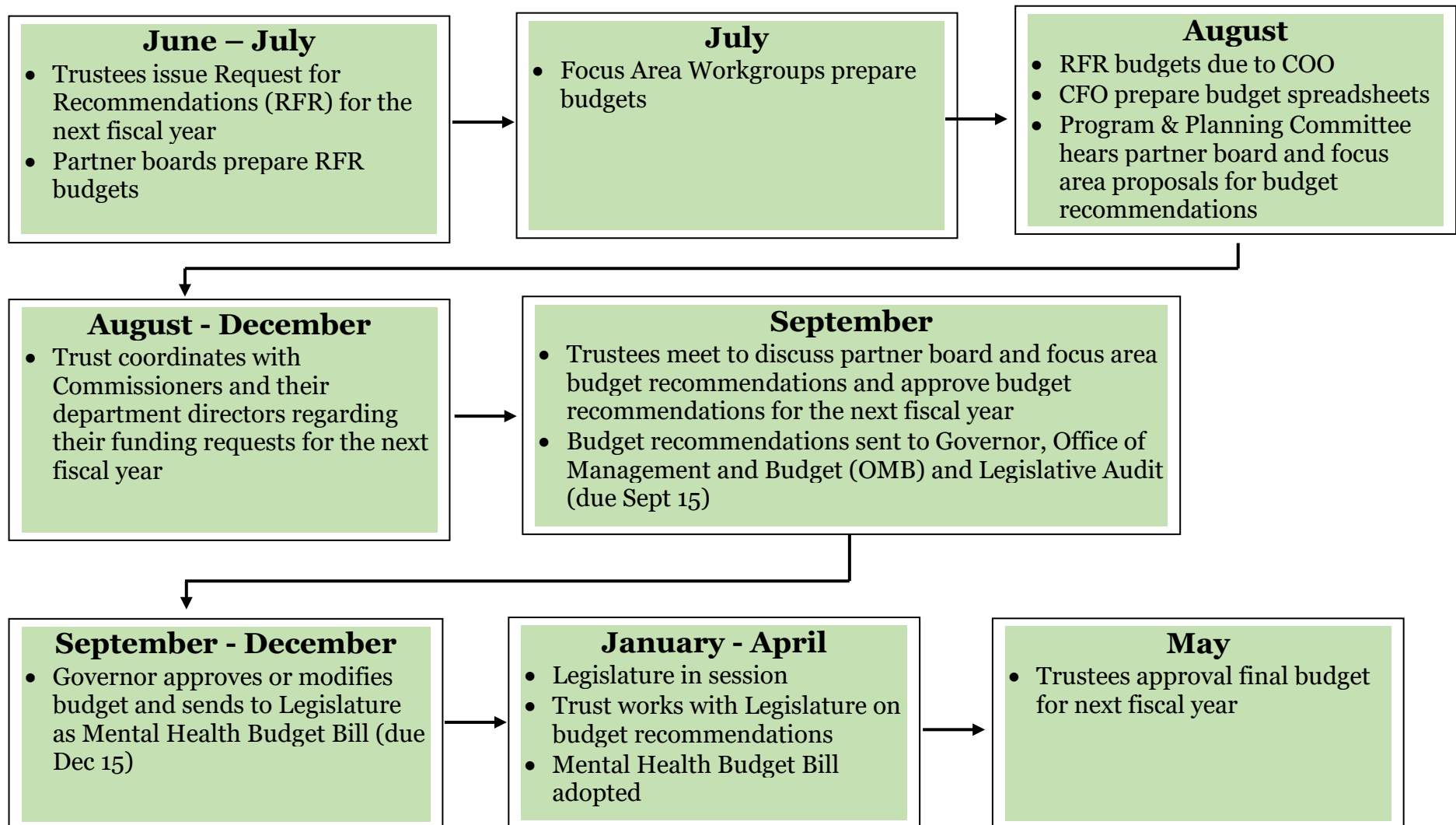
The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy, planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

Approved 5-12-09, Board of Trustee meeting

Alaska Mental Health Trust Authority Budget Process



Annual Mental Health Budget Bill Process

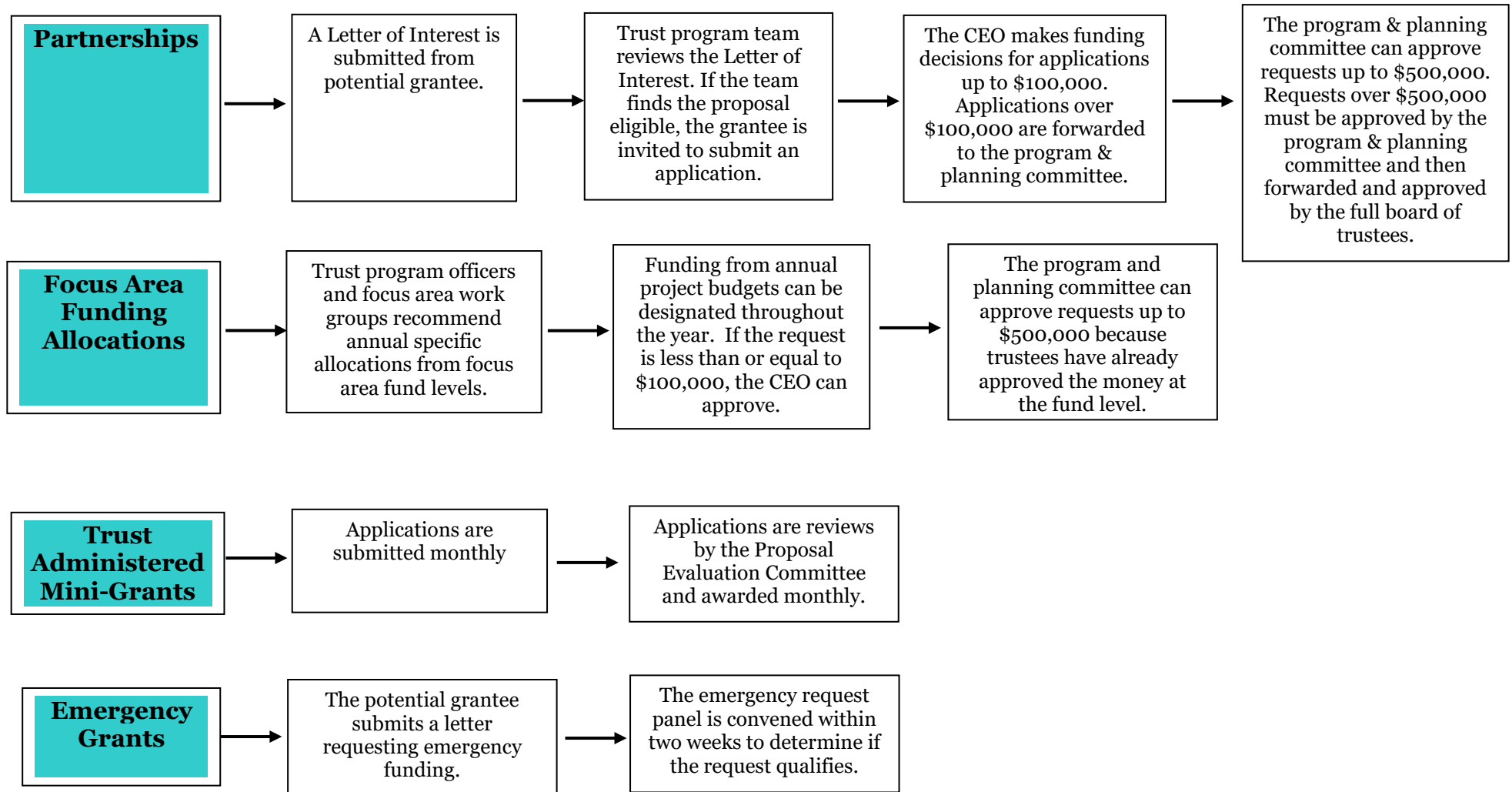


Note: timeline represents those items in the green boxes in the chart entitled “Alaska Mental Health Budget Process”

01/23/2019

Grant Approval Process for Authority Grant Funds

All annual budgets are approved by the full board of trustees at the September meeting



Note: this chart depicts those items included in the teal box labeled "Authority Grants" on the chart entitled "Alaska Mental Health Trust Authority Budget Process"

Revised: 01/23/2019

Alaska Mental Health Trust Annual Calendar

TRUSTEES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Scheduled full board meeting & prep												
Scheduled committee meetings & prep												
APOC filing due 3/15												
Officer elections												
Board evaluations												
CEO evaluation												

LEGISLATURE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Budget finalization with departments												
Trust advocacy trainings												
House/Senate Finance budget presentation												
Legislative session												

PROGRAM	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Focus area budget updates, stakeholder mtg												
Request for recommendations (RFR) issued												
Statements of Intent / grant agreements												
Trust/DBH quarterly meetings												
Small projects												
Grant quarterly reports												
Rural Outreach (every 2yrs)												

LAND OFFICE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Resource field season												
Real estate BOV/appraisals												
Fall land sale												
Quarterly reports												
Ft. Knox audit (every 2yrs)												

ADMINISTRATION	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Fiscal year end & re-appropriation												
External audit												
Operating budget due 9/15												
Trust annual report												
Contract renewals												
OMB measures												
Asset allocation annual review												

ADVISORY BOARDS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Statutory Advisory Board - ACoA												
Statutory Advisory Board - AMHB/ABADA												
Statutory Advisory Board - GCDSE												

**Minutes for the
November 16-17, 2022
Full Board of Trustees
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

November 16, 2022

8:30 a.m.

WebEx Videoconference/Teleconference

Originating at:

**Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, Alaska 99508**

Trustees Present:

Anita Halterman, Chair
Verne' Boerner
Brent Fisher
Rhonda Boyles
Kevin Fimon
Agnes Moran
John Sturgeon

Trust Staff Present:

Steve Williams
Katie Baldwin-Johnson
Carol Howarth
Miri Smith-Coolidge
Kelda Barstad
Michael Baldwin
Eric Boyer
Valette Keller
Autumn Vea
Allison Biastock
Kat Roch
Luke Lind
Debbie DeLong
Travis Welch
Jimael Johnson
Carrie Predeger

Trust Land Office staff present:

Jusdi Warner
Blain Alfonso

Also participating: Patrick Reinhardt; Bikkay Shrestha; Vasily Shportko; Lesley Thompson; Meridith Griggs; Beverly Schoonover; Kathy Craft; Nona Safra; Lucy Cordwell; Eugene Hickey; Jon Haghighyeghi; Marty Lange; Michele Girault; Michael Bailey; Kim Champney.

PROCEEDINGS

CALL TO ORDER

CHAIR HALTERMAN called the meeting to order and began with a roll call. She noted that John Sturgeon was excused for the morning and would be joining later in the afternoon. There was a quorum to do business, and she asked for any announcements.

TRUSTEE BOERNER stated that she had some intermittent obligations and would text if she had to step away.

TRUSTEE FISHER stated that he had another commitment for Thursday morning and asked to be excused from the site visit.

CHAIR HALTERMAN stated the Trustee Fisher would not attend the site visit; nor would Trustee Boyles and Trustee Boerner because of joining remotely. She asked for a motion to approve the agenda.

APPROVAL OF THE AGENDA

MOTION: A motion to approve the agenda was made by TRUSTEE BOERNER; seconded by TRUSTEE MORAN.

After the roll-call vote, the MOTION was APPROVED. (Trustee Moran, yes; Trustee Fimon, yes; Trustee Fisher, yes; Trustee Boyles, yes; Trustee Boerner, yes; Chair Halterman, yes.)

CHAIR HALTERMAN stated that the agenda was approved as written. In the packet was a copy of the Guiding Principles, the Trust Mission Statement and the budget process flow charts.

ETHICS DISCLOSURES

CHAIR HALTERMAN asked for any ethics disclosures. There being none, she moved to the approval of the minutes of August 24-25, 2022.

APPROVAL OF MINUTES

MOTION: A motion to accept the minutes of August 24-25, 2022, was made by TRUSTEE MORAN; seconded by TRUSTEE FIMON.

After the roll-call vote, the MOTION was APPROVED. (Trustee Moran, yes; Trustee Fimon, yes; Trustee Fisher, yes; Trustee Boerner, yes; Trustee Boyles, yes; Chair Halterman, yes.)

CHAIR HALTERMAN stated that the bylaws were listed on Page 43 for reference by trustees. She moved to the Mission Moment with the TABI Advisory Council and asked Ms. Barstad to do the introductions.

MISSION MOMENT

MS. BARSTAD stated that at the Program & Planning Committee meeting we delved quite deeply into brain injury as a topic. This Mission Moment connects to that presentation. She continued that Lucy Cordwell will, virtually, describe the work of the TABI Advisory Council.

She added that it was a fantastic experience to see that council grow, and that it is made up of about 50 beneficiaries. She introduced Ms. Cordwell to speak briefly about the council and its role in the community.

MS. CORDWELL thanked the trustees for the invitation. She stated that she is the brain injury program coordinator at the UAA Center for Human Development and was lucky to work with the council. She explained that the TABI Advisory Council is the Traumatic and Acquired Brain Injury Advisory Council, and we've worked really hard to create and move forward the five-year state plan in Alaska. She introduced Nona Safra, an incredibly valuable member of the advisory council, to speak about her experience.

MS. SAFRA stated that some of them may recognize her because she is on the Alaska Commission on Aging and holds a seat on the Governor's Council on Disabilities and Special Education, as well as a couple of other things around the state that involve advocacy. She added that that is her joy in life. She told her story about how she got where she was and how the Trust helped her to do that. She is from Homer and thanked all for choosing to serve and make a difference in the lives of Alaskans through the work of the Trust. She stated that she had a brain injury and did not remember ever living without experiencing the impact of her brain injury. Back in the 1950s, the circumstances surrounding it were things that went unspoken and, therefore, undiagnosed. Society was and still is uncomfortable with open discussions about mothers who abuse children. She was first hospitalized when she was a month old; and the second time by eight months. She did not remember them, but there were records and photographs showing facial bruising. By the time she was eight, she was at the doctor for headaches, and then migraines began. The medications left her zombielike at school. Living undiagnosed was the most difficult thing in her life. She remained undiagnosed until she was in her 50s. Her parents referred to her as a drama queen and a klutz, which led to more falls, leading to more concussions. Teachers told her she was not trying hard enough because she could not make sense of what she was reading and transposed numbers. She lacked the vocabulary for the terms that may have helped any professional understand what she was experiencing. She continued that being told that she would always fail, so why try, or that she should have never been born was the beginning of some mental health issues and a real lack of self-esteem. The school district diagnosed her issue as scoliosis and put her in remedial physical education, causing more social awkwardness. She stated that there was no support or acknowledgment of any health issues from either of her parents; and, in fact, they made fun of her difficulties and encouraged her siblings to join in. She added that the physical abuse continued, and her self-esteem had plummeted. She got passing grades at a school for the academically gifted and had daily migraines as she navigated her way through a life of undiagnosed brain injuries. Through her 20s, 30s, and 40s, she got married, finished college, had her children and divorced. She went from just holding jobs to actually having a career in nonprofit management, all while experiencing daily migraines. At one point a nonprofit board member said that her migraines were triggered by aspartame poisoning, which was a game-changer. She avoided aspartame and could go 72 hours without a migraine, then a week, and then a month. It was amazing to have a life without a migraine, but all the other symptoms were still a part of her daily life. She was diagnosed that her issues were caused by obesity. She was told that if she could lose the weight, all of her symptoms would go away. But the symptoms and weight gain continued. She was sent to see some very nice folks like the cardiologist, the endocrinologist, the rheumatologist, the nephrologist and the psychiatrist, who decided that the headaches were nothing more than clinical depression. They gave meds and an extended leave

of absence from work for daily therapy; nine half-day sessions a week for six months, and a paid leave from her executive position to get in touch with her inner feelings. She discovered EMDR, went through anger management, toxic-job counseling, group therapy, and private sessions. All that happened was that her FMLA ran out; she lost her position; but all the symptoms remained the same, and her eyesight got worse. The good thing that happened was being asked to write a chapter in the professional handbook of EMDR and family therapy processes about family abuse. Then she got a new primary-care physician who looked inside her eyes and did not like what he saw and sent her to his personal ophthalmologist who had a new diagnosis. She was finally properly diagnosed. Her spinal fluid did not drain properly and stays in her head, overwhelming her brain, filling her sinus cavities, and it pushed against her optic nerves as well as her ears. She had all the symptoms of a brain tumor without the mass. She was given the option of going on meds or having a shunt put in; she chose the meds. Then, she moved to Alaska, and the cost of the drugs skyrocketed and became prohibitive. The insurance company switched her to the generic, which was not the same, and she lost more of her vision. Her nurse practitioner became her partner in the battle with the insurance company pointing out that the failure of the drug meant blindness or death. She researched a procedure being done at Johns Hopkins in Baltimore and with the help of her practitioner, she was accepted into that study. She had a stent placed in the transverse right sinus of her brain and actually got balance, no more tinnitus, and was able to hear the sounds in nature. The game-changing brain surgery gifted her with the opportunity to become an advocate for others with brain injuries; to serve on the Brain Injury Awareness Council; to speak with elected officials and remind them that not all brain injuries were alike. She explained that her injuries were a combination of child abuse, domestic violence, and a medical condition. It is not when someone you know will suffer a brain injury, but who you know that is living with it. She explained how her mini-grant helped her thrive by paying for the rapid prescription changes in her glasses that save her vision. She added that her current grant will pay for the much-needed attention to her teeth which her fixed income would not cover. She stated that she had lived her life knowing that when kindness and goodness are received, that there is an obligation to pass it on. She uses her voice and actions to do advocacy and work with Alaska Mental Health Authority partners, and she is humbled in being a part of the team that works on projects such as the Alaska State Plan for Brain Injury and the 10-Year Map to address Alzheimer's disease and related dementias. Her voice is also heard in Juneau and Washington, D.C., advocating for Alaskans with brain injuries, encouraging legislators to join the Congressional Brain Injury Task Force; to support the TBI state grant program; to support bipartisan legislation for TBI and PTSD law enforcement training. She continued that, as a member of the Alaska Commission on Aging, she also hears from other grant recipients that are the keys to home- and community-based services. People are thrilled that they can stay in their own homes. She added that they are also part of her story as their advocate. She stated that the Alaska Mental Health Trust is a blessing in the lives of many Alaskans who are the beneficiaries. It allowed her to succeed and be able to continue serving this great state.

CHAIR HALTERMAN thanked Ms. Safra for sharing her story and added that it took a lot of courage to talk about trauma from early childhood.

TRUSTEE MORAN asked if there was an easy mechanism for folks to apply for the grants and if it was understandable.

MS. SAFRA replied that it was tough the first time, but once she understood how to do it it was not difficult. She stated that awareness was the first step, and she suggested that the instructions

be in bullet points. Simplifying the instructions and entering the data on the form would make it easier to send in. Another influence that the Trust had on her life was developing a scholarship for her high school, Philadelphia High School for Girls. They are a seven-member group and are targeting their classmates. They have a Girlfriend Fund, started from publishing and selling a book, that began from what she learned from dealing with the Trust. They have helped 12 of their classmates who needed a one-time boost in order to thrive.

CHAIR HALTERMAN thanked Ms. Safra for her public service and for spreading that service to others in other avenues and outlets. She added that she would like to read the book.

MS. SAFRA replied that it is called “Unmute Yourself, Girlfriend,” available online under the editor, Susan Dukow.

STAFF REPORT

CEO WILLIAMS thanked Ms. Safra for coming in and sharing her thoughts. He went through some of the highlights since meeting in October for the committee meetings. He began with a financial update and noted the 7 percent increase approved in FY22. On a year-to-year basis, a 5 percent increase in the payout means that more work can be done to improve the lives of the beneficiaries. That was a positive and was shared because of the volatility that we see because those things come in cycles. He added that they were in a strong position to carry forward with what was presented in terms of the work and to ensure that the work and funds will be available for future beneficiaries. He moved to the financial audit which would be presented in the afternoon. He added that nothing changed since October. He stated appreciation to BDO and the finance and budget staff from both the Trust Authority and the Trust Land Office working through a time-consuming budget process. He moved to the Trust Land Office side and stated that Ms. Warner was back from maternity leave, and it was great to have her back. He thanked Jeff Green for stepping up as the executive director while Ms. Warner was on leave. It was a smooth transition, and the work of the TLO continued moving forward. He stated that the annual Alaska Miners Convention happened down at the Dena’ina Center and Karsten did a great presentation that focused on Icy Bay. He moved to the Trust Land Office land sale which we expect to be a very productive and, hopefully, will exceed expectations. He moved to the program side of the Trust Authority Office. This is the time of the year where the advisory boards and partner professional associations and beneficiaries and advocates start thinking about the upcoming legislative session and what is needed jointly and individually to bring education to new legislators and policymakers. The Alaska Association on Developmental Disabilities, AADD, met in Anchorage to do that, and Trust program staff were part of those conversations. He then focused on the Crisis Now initiative and brought the trustees up to speed on where they were headed. He talked about the RFI, requests for information, for the development of the report that was part of HB 172 that has to be delivered to the Legislature in the fall of 2023. A request for letters of interest from interested parties describing how the work would be carried out was received, and the next step was for the Department staff, the Trust staff and some of the named entities that were part of the steering committee identified in the bill to review what was submitted. Then the information will be reviewed to craft a request for proposals that would provide an application on how to propose to do the work, and to have a contract put in place for the successful entity that applied.

TRUSTEE FISHER asked for an explanation about the urgent-care component.

MS. BALDWIN-JOHNSON replied that was part of the service planned, and it may come online before the 23-hour is opened. The hope is to schedule some time at the Program & Planning Committee meeting in early January for a full update on the status of all those pieces that are moving forward. She explained that the mental health urgent-care element would be important in providing another access point, as well as a bridge for individuals that may have been served in the 23-hour or residential to be able to continue to access supportive care until they are connected with providers in the community.

TRUSTEE MORAN asked if there was a target budget developed for each stage of Crisis Now, or was it overall.

MS. BALDWIN-JOHNSON explained that it started with an overall core recommendation that was broken down into a work plan. She stated that it is on target, and we are working within the budget that was approved by the trustees.

CEO WILLIAMS gave a brief update on the SHARP program because a positive milestone happened. They received their fifth iteration of a HRSA grant in the amount of a million dollars a year for three years. The Trust had been a long-time supporter for over the last 14 years. There had been over \$32 million in a mix of Federal, Trust and provider funding that was generated from this one project that created 600 contracts in those 14 years across the state. He added, that was a very positive program that has had enormous effect on the organizations that have those contracts, and the beneficiaries. He shared the finalization of the elections and the transitions that have been happening. Commissioner Adam Crum, from the Department of Health, moved to be the Commissioner of Revenue. The Trust Authority Office operates underneath the Department of Revenue. He continued that Heidi Hedberg is stepping up as the acting commissioner. Deputy Commissioner Al Wall has left the Department of Health and will be working over in Finance. Both Commissioner Crum and Deputy Commissioner Wall did a lot to help move the work with the Trust to make changes that positively impacted beneficiaries. Lesley Thompson, the planner for the Alaska Commission on Aging, is retiring and he wanted to recognize her for the work done for not just senior beneficiaries, but also for the senior population in general. He also acknowledged Diane Kaplan for her leadership over the last 26 years, and would be retiring at the end of December.

CHAIR HALTERMAN stated that there was a site visit at Providence where some deficiencies about patient care were identified. She asked if that would impact the supportive housing project that is being funded for Providence.

MR. WILLIAMS replied that Ella Goss, the CEO of Providence, responded to that and there are no concerns related to the work the Trust is doing with Providence and the Crisis Now initiative.

COMMUNICATIONS UPDATE

MS. BIASTOCK began by acknowledging her colleagues at the Trust Authority and Trust Land Office, with a special thanks to Valette Keller who supports much of the work that she will be reporting. She added that since the May update, the RFP for communications support was completed with a new contractor on board, Brilliant Media Strategies in Anchorage. She briefly offered some updates on the program, including some highlights of the positive earned media through the releases and press contacts. All opportunities are used when engaging with the

media to help audiences understand the role of Trust lands and the benefits of revenues generated from them. She moved to the website which does a lot of different things for a lot of different audiences. The job is to make the site appealing and easy to navigate for all of the different parties. She continued to social media and stated that both a Facebook and Instagram account are still maintained for the Trust Authority. The Trust Land Office has a Facebook business page, as well as a page devoted solely to Trust land sales. She moved to the active media campaigns and began with Stigma which will have some activity picking up in the coming months. Building on the ongoing public education and outreach efforts, this campaign intends to increase the understanding of challenges faced by Trust beneficiaries and to positively change attitudes and behaviors towards them. Next, “About the Trust” campaign intends to communicate the message of the Trust’s role and how Trust lands support Trust beneficiaries. This campaign endeavors to communicate the responsibility to manage the lands in a way that maximizes revenues and why Trust lands supporting the work on behalf of Trust beneficiaries is great, not only for individuals, but also for communities. She went through a few highlights from the program beginning with 988, the new nationwide three-digit dialing code to reach the suicide and crisis lifeline which launched in July, 2022. The next highlight is a video series developed as part of Alaska Public Media Mental Health Content Initiative; a multi-faceted initiative focused on mental health and wellness.

(Video played.)

MS. BIASTOCK then highlighted the Trust Land Office fall land sale marketing done in coordination with the Trust Land Office. She stated that they printed and inserted thousands of copies of the Caregiver Resource Guide into the November issue of the Senior Voice publication. This insertion was timely as November is both Alzheimer’s Disease Awareness Month and Family Caregiver Month. The guide was developed by the Alaska Dementia Action Collaborative, which was funded by the Trust. She transitioned into the Improving Lives Conference update and acknowledged all the work that Valette Keller did in helping bring this conference to fruition. She stated that the Improving Lives Conference idea originated within the Board of Trustees who approved funding for a Trust-sponsored conference focused on beneficiary-related topics. Several meetings were held with several Trust partners to narrow down the topics of interest. The event was promoted in many ways and had a good turnout of almost 350 participants. She went through some of the statistics of attendees, registration scholarships, travel scholarships where folks could have transportation and hotel costs reimbursed. She talked about the geographic dispersal of attendees of the conference, and talked about the keynote presentations and the panel discussion. She then moved to some of the feedback of the attendees. She added that, overwhelmingly, folks would recommend the event. The key takeaways were the positive feedback; meeting the event objectives; finishing under budget; a lot of interest in the scholarships; great attendance at the networking portions of the event. All agreed that a contractor to do this event is a must, and there was great interest in presenting at the conference. She shared some of the great social media activity around the event.

CHAIR HALTERMAN called a break.

(Break.)

CHAIR HALTERMAN stated that next on the agenda is the Open Meetings Act training

scheduled from the Department of Law with Gene Hickey.

CEO WILLIAMS stated that this was part of board training, board development, refresher on a couple of different areas generally hit on over the course of the year. The focus this morning is on the Open Meetings Act, and he recognized Gene Hickey.

MR. HICKEY stated that he had been with the Department of Law a little over five years and came from a practice in Pennsylvania. He and his wife moved to Juneau five years ago and a lot of his practice was in representing municipal and state governments, but in the private sector rather than as an employee of the state government. He continued that Alaska's Open Meeting Act is a great act that was condensed into a very small bill. He went through the sections of the Act, specific definitions in the Act, and how it applies. He went through what meetings and what entities were covered by the Act. He noted that the purpose of the Act is contained in Section 312, the most important section of the Act. He continued through his presentation, answering questions as they were presented.

CHAIR HALTERMAN thanked Mr. Hickey for the presentation and information. She stated that Trustee Boerner would be leaving the meeting from 11:15 with a plan to return at 2:30. She called a break for lunch.

(Lunch break.)

CHAIR HALTERMAN called the meeting back to order and moved to the statutory advisory updates.

STATUTORY ADVISORY UPDATES

ALASKA MENTAL HEALTH BOARD/ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE

MS. SCHOONOVER stated that the boards met in Fairbanks at the True North Recovery Residential Substance Abuse Facility which is new and amazing and a great program. She shared the boards' legislative priorities and then talked about a few emerging issues related to mental health and substance use issues. She continued that half of the board members of the Mental Health Board either have a mental health diagnosis or their close family members do. On the ABADA, half of the board or their family members have to be either actively using or in recovery from substance or alcohol misuse. They are charged with advising, planning, coordinating behavioral health services and programs. They are statutorily charged with advising the Trust on mental health and substance misuse issues. They advocate for the needs of Alaskans with mental health and substance misuse issues. They also evaluate federal and state laws concerning mental health, alcohol, and other drug and substance misuse, prevention and treatment services. She explained that the board members are appointed by the Governor, and the boards work together and are located in the same office. They have two executive committees, but they work together on consensus in every sense of the word. Their mission is to promote healthy, independent, productive Alaskans. She stated that the new ABADA Chair is Lee Breinig, and we've had the great opportunity to work with Denali Daniels reviewing the 2022 priority areas. She continued to using education outreach to reduce the stigma of Alaskans living with substance misuse and mental health concerns. She was grateful for the Trust doing a stigma-busting campaign, noting that we want to keep working on that and to keep addressing this with legislators. Another one of the big issues is increasing access to community supports

for justice-involved Alaskans with behavioral health concerns. She went through some of the joint planning activities. She continued to suicide prevention, and stated that they were required to give the Trust recommendations on the Comprehensive Integrated Mental Health Program Plan. She added that the Alaska Work Matters Task Force was an initiative led by the Department of Labor and Workforce Development, and all of the partner advisory boards are part of this. The final report is out and addresses how to improve and increase employment and employment supports for Alaskans with disabilities. She continued to Crisis Now, and noted that she was a member of the leadership team for Crisis Now. Their board members have been very engaged in this process through regular updates from Trust staff.

A brief question-and-answer discussion ensued.

CHAIR HALTERMAN moved into the Alaska Commission on Aging presentation.

ALASKA COMMISSION ON AGING

MR. HAGHAYEGHI thanked the Trust for the support provided to the Commission on Aging for the personnel that keeps the day-to-day operations running and for the projects like the State Plan for Senior Services that is presently being worked on. He continued that he had been in the position for six months and was still learning. This is the year of the State Plan. He added that they recently lost their planner and have very little institutional knowledge. He stated that the mission for the Commission on Aging has not changed since it was established in statute in 1981. It centers on insuring the dignity and independence of all older Alaskans. He continued though some updates, reviewed some demographic trends, and then talked about some of the listening sessions held in the last year. He then went through some of the data collected and the timelines for the State Plan for Senior Services, FY24-27. He explained the State Plan fulfills the requirements under the Older Americans Act, which has provided Alaska with approximately \$5 million in federal funding over the last five years, which goes towards services for seniors. He asked Mr. Lange to continue.

MR. LANGE stated that he is the new rural outreach coordinator for the Alaska Commission on Aging. He just moved back to Juneau this summer after being gone for 39 years. One of the major motivating factors of the move was to take care of his wife's parents. He spent the last 31 years working for an international nonprofit organization called Wycliffe Bible Translators, and was their vernacular media consultant. He lived in Peru for 8.5 years and then was located in Orlando. The organization's goal was to translate the Bible into every language in the world. He spent a lot of time in villages and working alongside indigenous people. He was very happy to find this job. As the rural outreach coordinator, he looked forward to using the skills he had developed to further the cause of helping the Alaska Commission on Aging help people grow old in place and gracefully.

CHAIR HALTERMAN moved to the Governor's Council on Disabilities and Special Education and recognized Patrick Reinhardt.

GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION

MR. REINHARDT stated that he was the interim director of the Governor's Council. He pointed out the chairperson and the vice chair of the Governor's Council on the slide. He continued that there was a retreat, a special board meeting in Girdwood to get back to basics and then talked about the selected dates of future meetings in '23. He highlighted the Aging and

Disability Summit that occurred that was supported by the Trust with a lot of good panels. He explained that the council is broken up into committees to do their work. Community Inclusion, Supports and Services Committee covers the areas of the council, and is an important part of who they are. He added that they were working on issues related to environmental modifications and enabling technologies. The system is broken and needs to be fixed. He talked about the importance of direct service professions with not enough workers for what is needed to be done, and turnover is rampant. He noted that there were 423 individuals on the waitlist; 254 are active on the individual-supports waiver, and are basically getting a small number of services while on the waitlist for a full waiver. He moved to the Self-Advocacy Leadership Committee that looks at things on developing other leaders and other advocates of people with developmental disabilities. They provide the governing boards for SESA, which was established in 1986. SESA went through a reauthorization two years ago, and they are good for about seven more years in terms of funding. They always come back as an essential state service, and it basically sunsets every eight years. They are funded through a base student formula funding, similar to other school districts. They have worked on autism-related issues, deaf and hard-of-hearing, vision impairment, emotional disabilities, and multiple disabilities. They essentially support people to help people in school districts in rural and remote areas that do not have big, trained special education departments. They figure out how to provide an educational service to somebody with a significant disability. Many times, it is one-on-one coaching with a teacher or principal or the parents in that community, or all of them together. He shared a video which explained the infant learning program.

(Video played.)

MR. REINHARDT stated that a child had to have basically a 50-percent delay in terms of where their milestones are before they ever receive services, which is a pretty high bar. He added that there was another video which was a commercial about abuse and neglect and what to do for people with disabilities.

CEO WILLIAMS noted that clearly across all three presentations workforce issues were highlighted in one way or another. He asked if the boards' staff and/or the member of boards or councils had looked into and were considering Alaska and the possibility of entering the nursing licensure compact. There was a bill last session that would make it easier for nurses from other states to come to Alaska to work, reducing a lot of licensing requirements in terms of duplicity; not trying to reduce things that would have any impact of safety. He added that the Alaska Health Care, AHAA, was looking into it.

CHAIR HALTERMAN called a break.

(Break.)

CHAIR HALTERMAN called the meeting back to order and moved to the Audit & Risk Committee report update.

AUDIT & RISK COMMITTEE REPORT/UPDATE

MS. HOWARTH stated at the last meeting two items were focused on: One was the risk management plan; and the second item was an interim report from BDO, by Bikky Shrestha and Vasily Shportko. This meeting was the final presentation of the audit. She introduced Bikky

Shrestha and Vasily Shportko to present the fiscal year 2022 financial report and audit.

MR. SHRESTHA stated that he did the interim presentation at the last board meeting. There had not been any significant changes made since, and he went through the report to the board in this meeting. He went through the audit wrap-up document. At this point, the audit of the financial statements were completed. The audit was done in accordance with Government Auditing Standards. He continued that the objective of the audit was to obtain reasonable, but not absolute, assurance about whether the financial statements were free from material misstatements. Very important was the issue of an unmodified or a clean opinion on the financial statements, and all records and information requested were freely available for inspection. Management cooperation was excellent throughout the whole process. Any significant changes in accounting principles or policies would be disclosed here. For 2022, the provision of GASB 87 was implemented, which required all of the lease assets to be brought into the books. That was the big change in the financial statement this year compared to last year. As far as corrected and uncorrected misstatements, there were no uncorrected misstatements, but there were a couple of corrected misstatements included in the representation letter attached.

CHAIR HALTERMAN reflected that Trustee Boerner rejoined the meeting.

TRUSTEE MORAN asked about the \$8 million adjustment and then the lands adjustment, and asked if they were a result of an internal policy failure.

MS. HOWARTH replied that the \$8 million was an interesting issue. There was a journal entry that was entered twice, and the reporting system generated different starting balances through the process.

MR. SHRESTHA stated that if they were aware of any consultations that management had with other accountants regarding audit matters, it would be noted here. If there were any disagreements with management or any other complicated issues, they would be noted here. At the end of this document was the representation letter that management signed as part of the audit, which is included here.

CHAIR HALTERMAN asked for a motion.

MOTION: A motion that the Board of Trustees accept the Alaska Mental Health Trust Authority basic financial statements and government accounting standard auditors' report for the year ended June 30, 2022, was made by TRUSTEE FIMON; seconded by TRUSTEE STURGEON.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boerner, yes; Trustee Boyles, yes; Trustee Fisher, yes; Trustee Sturgeon, yes; Trustee Fimon, yes; Trustee Moran, yes; Chair Halterman, yes.)

CHAIR HALTERMAN moved to the Finance Committee update and report.

FINANCE COMMITTEE UPDATE AND REPORT

MS. HOWARTH continued that at the last meeting the focus was on statutory updates from the managers that manage the financial resources. There was also a quarterly dashboard that did not

include the September Alaska Permanent Fund management reports for the financials. She went through the final third-quarter report.

CHAIR HALTERMAN asked for a motion.

CEO WILLIAMS stated that this was fully discussed during the Finance Committee meeting in October. The Finance Committee approved it, and it was now coming to the Full Board for approval.

MOTION: A motion that the Board of Trustees approve the Finance Committee's recommendation to authorize the transfer of \$18,420,500 from the Alaska Permanent Fund Corporation Budget Reserve Account to the Mental Health Settlement Income account to finance the fiscal year 2023 base disbursement payout calculation; the CFO may fulfill this motion with one lump sum or multiple transfers, was made by TRUSTEE FIMON; seconded by TRUSTEE STURGEON.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Moran, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)

RESOURCE MANAGEMENT COMMITTEE REPORT/UPDATE

MS. WARNER stated that there was one motion.

CHAIR HALTERMAN asked for the motion.

MOTION: A motion that the Alaska Mental Health Trust Authority Board of Trustees concur with the Trust Land Office recommendation for the executive director to dispose of Trust parcel CRM-1138-01 through a negotiated sale or subsequent disposal was made by TRUSTEE MORAN; seconded by TRUSTEE STURGEON.

MS. WARNER explained that this was for the disposal of a 67-acre parcel that is split by the Glacier Highway in Juneau. At this time, there is a negotiated sale at 30 percent above the fair-market value resulting in a sale price of \$1,075,000. Should the board concur with this, the TLO will move forward with a best-interest decision and public notice of that for 30 days.

CHAIR HALTERMAN took the roll-call vote.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boerner, yes; Trustee Boyles, yes; Trustee Moran, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)

MS. WARNER stated that it was mentioned that today was the fall competitive land sale bid opening, and the preliminary results show \$2.7 million in revenue. That beat last year by \$1 million. She continued that there were 71 parcels in the auction, and 53 of those sold. The fair-market value for all 71 parcels sat at about \$2.7 million. She explained that the parcels that did not sell will go on the over-the-counter, on the website, and are essentially "Buy it Now." All of the processes have been completed, and they will be sold with a premium.

TRUSTEE FIMON stated that was a great job, and added his appreciation and congratulations for all the work done over at the TLO.

PROGRAM & PLANNING COMMITTEE REPORT/UPDATE

CHAIR HALTERMAN moved to the Program & Planning Committee update. She noted that this particular request was an item that had been in front of the committee and requires Full Board approval.

TRUSTEE BOERNER stated that this was reviewed by the Program & Planning Committee, and this recommendation is brought forward to the Full Board. It is to approve fiscal year 2023 Mental Health and Addiction Intervention Focus Area allocation to the Anchorage Community Mental Health Services, Incorporated, which is doing business as the Alaska Behavioral Health for the Fairbanks Mobile Crisis Team.

MOTION: A motion that the Board of Trustees approve the Program & Planning Committee's recommendation to approve the \$801,039 FY2023 Mental Health & Addiction Intervention Focus Area allocation to Anchorage Community Mental Health Services, Incorporated, doing business as Alaska Behavioral Health, for the Fairbanks Mobile Crisis Team project; these funds will come from the FY2023 Crisis Continuum of Care budget line, was made by TRUSTEE BOERNER; seconded by TRUSTEE FISHER.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Moran, yes; Trustee Fimon, yes; Trustee Sturgeon, yes; Trustee Fisher, yes; Chair Halterman, yes.)

TRUSTEE BOERNER stated that the report was on page 210 and reflects the summary of the agenda, and the presentations from the October 20 Program & Planning Committee meeting.

TRUST TECHNICAL ASSISTANCE RESOURCES

CEO WILLIAMS stated that at the committee meetings in October it was requested that staff provide an update on the technical assistance and grant-writing proposal contract. The presentation will be done by Jimael Johnson and Kelda Barstad.

MS. JOHNSON began with a brief history that the contracted services were developed over 14 years ago in response to the recognition that agencies had needs that were best met with really flexible and responsive resources. The contracted services emerged out of the recognized need to be flexible and to have a pool of resources that was ready to be tapped into. The objectives were to increase the agencies' capacities to better serve and to serve more Trust beneficiaries, as well as assisting those agencies to be responsive and supportive of Trust-sponsored initiatives, as well as those initiatives that the State was working on to help build out as a network. She moved to the grant-writing and proposal development contract, beginning with an overview of the services within that contract, talked about the current contractor, and then gave examples of what that contract supported over the last couple of years.

TRUSTEE MORAN asked if the funding opportunity is posted anywhere, or if that was just curated for internal use.

MS. BALDWIN-JOHNSON replied that, at this point, it is not posted so that it was publicly

facing. There had been some discussions about that, and it would be something to consider in the future.

A brief discussion ensued.

MS. JOHNSON explained the predevelopment service that helps an agency look at their strategic and organizational capacity, and to do some conceptual planning to prepare for funding opportunities. She stated that the current contractor is Denali Daniels & Associates, which was awarded the contract this fiscal year through a competitive RFP process. This current contract has four optional annual renewals, and we could be working with Denali Daniels & Associates on this contract through FY27, if they so choose.

CHAIR HALTERMAN stated that there are public comments on the agenda and called a break.

(Break.)

PUBLIC COMMENT

CHAIR HALTERMAN stated that there was one written record from Faith Meyers which was in the packet. She continued that there were two people online, and recognized Michele Girault online.

MS. GIRAULT stated that she was the president of the board of the Key Coalition of Alaska and also the executive director of Hope Community Resources. She informed the board of the Key Coalition's focused priorities in 2023. There is a Memorandum of Agreement with the Association of Providers which will keep their platform issues focused on the DD shared vision in Alaska state statute. That talks about a system that is flexible for stakeholders, supports professional staff, supports self-determination, and allows people to have a robust life in the community. The system has been in a state of distress, and the pandemic made it worse. The board is well aware of some of those issues. Workforce continues to be a challenge, and some of the systemic issues still need work. She talked about some of the items for rebuilding their system; finding a path for fiscal stability for providers so they would be able to accept new people. She explained that the Key Coalition was made up of a number of groups: Parents, guardians, primary stakeholders, Peer Power of Alaska, the Association of Direct Support Professionals, and AADD. She thanked the trustees for their time.

CHAIR HALTERMAN thanked Ms. Girault and recognized Michael Bailey and Kim Champney.

MR. BAILEY stated that he was with the Alaska Association of Developmental Disability Providers, and had been there for a number of years, in partnership with Michele Girault. He came with a heart of gratitude, of thanks to the trustees and staff for supporting the ongoing advancement of the shared vision that was about some system flexibility and remaining person-centered for the beneficiaries. He thanked the Trust for their support in innovation efforts, especially around intentional communities as the workforce changes are experienced, looking at innovative ways where natural supports can blend, and paid supports was the direction of the future. He introduced Kim Champney, who was involved in the provider organization, then served on the AADD as board president and spent six years in her own consulting business. Now she has been successfully recruited back as the executive director, replacing Lizette Stiehr.

MS. CHAMPNEY stated that she wanted to come on and recognize the Trust's investment. She continued that she had been in the field for 25 years, and has never seen the service system this fragile. Many beneficiaries with developmental disabilities do not have access to services because of staff shortages. She echoed Mr. Bailey's gratitude. The ability that the Trust provides with products like the rate study and the care coordination evaluation, as well as support at different events, opportunities and outreach, is saving the system. It is the thread holding the people together.

CHAIR HALTERMAN thanked them and asked for any other members online that would like to give public comment. There not being any, she closed public comment. She stated that written comments are always welcome and may be submitted to the trustees at any time. The comments can also be submitted via e-mail at public.comment@mhtrust.org, faxed to 907-269-7966, or mailed to 3745 Community Park Loop, Suite 200, Anchorage, Alaska 99508. She recessed the meeting.

(Alaska Mental Health Trust Full Board meeting recessed at 4:30 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

November 17, 2022

12:30 p.m.

WebEx Videoconference/Teleconference

Originating at:

**Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, Alaska 99508**

Trustees Present:

Anita Halterman, Chair
Verne' Boerner
Brent Fisher
Rhonda Boyles
Kevin Fimon
Agnes Moran
John Sturgeon

Trust Staff Present:

Steve Williams
Katie Baldwin-Johnson
Carol Howarth
Miri Smith-Coolidge
Kelda Barstad
Michael Baldwin
Eric Boyer
Valette Keller
Autumn Vea
Allison Biastock
Kat Roch
Luke Lind
Travis Welch
Jimael Johnson
Carrie Predeger

Trust Land Office staff present:

Jusdi Warner

Also participating: Patrick Reinhardt; Lesley Thompson; Meridith Griggs; Beverly Schoonover; Jon Haghayeghi.

PROCEEDINGS

CALL TO ORDER

CHAIR HALTERMAN called the meeting back to order and began with a roll call. She stated that there was a quorum and asked for any announcements. Hearing none, she moved into Trustee Comments.

TRUSTEE COMMENTS

TRUSTEE MORAN stated she had a few things. In the TABI discussion, the woman with the brain injury mentioned that the application grant was difficult for someone with a brain injury. She asked to look at that and see if an easier application could be developed for that population. At the program meeting, the True North Recovery was talked about, and she asked if the TBI screenings were built into it when dealing with folks associated with Crisis Now to reinforce or build into those the encouragement to do a TBI screening. She added that if the Trust did not take a lead on that and say, "You really ought to be screening that," their minds will never change. She stated that the third thing was that she was recently asked in Ketchikan what the overall investment of the Trust was in Crisis Now. As a new person, it would be nice to know what the investment was to date. She thanked staff and Miri.

TRUSTEE FIMON thanked the Chair for running a great meeting and keeping all on pace. There was a lot of information, and he really enjoyed hearing from the folks that presented, including Nona. He stated that the tour was very informative and opened his eyes to things that are still ahead for the Board. He thanked Ms. Howarth for working with the BDO staff and getting the audit done, and also the staff for the program work. He added that he always enjoyed being with his fellow trustees and the staff here. It was a good day.

TRUSTEE STURGEON thanked staff for all the work put into the packets and that it was much appreciated. He also thanked them for all the program work they do that makes the board look really good.

TRUSTEE FISHER thanked staff for the great work done in preparing ahead of time and giving the documents needed to be reviewed and the communication to make sure that the trustees know when and where they are supposed to be. He appreciated hearing from some of the grant recipients, and the peer experiences shared. It was important to look forward to other programs that can be supported. It was an excellent meeting.

TRUSTEE BOYLES stated her compliments to Ms. Howarth for coming through the audit and understood the difficulty of any amount affecting the beginning balance.

TRUSTEE BOERNER thanked staff and her fellow trustees and wished she could have joined the site visit. She also stated appreciation to the Mission Moments that always move her. She stated that this month was Alzheimer's Awareness Month and is also Native American Awareness Month, and in her studies and the work she is doing, she is helping to build awareness. One of her colleagues expressed her heartbreak when she had to remove two American Indians from a study being conducted because of low numbers. They had dedicated their time and energy and had given of themselves to participate. She stated that on a personal level that was sad for those individuals, but it also represented an erasing and removal of the

visibility of American Indians and Alaska Natives from research. That is an issue and one of her reasons to go after this degree. She also thought that it was critically important to recognize the strengths and resiliency of the people and families that work with those that have Alzheimer's, but also the strength and resiliency of the indigenous populations, as well. She stated appreciation for all and thanked the Board for having trustee comments as part of the agenda.

TRUSTEE STURGEON talked about his experience while driving through Wyoming of getting a text from a beneficiary that was definitely suicidal. They knew the number to call was a 988 number. They called that number and were told to call 911; but he could not dial 911 in Wyoming to be responded to in Alaska. He continued that they called some friends and got the person some help; but the crisis line did not work. The person ended up being okay, but it was definitely a suicidal text sent.

CHAIR HALTERMAN stated that was an interesting observation that the hotline did not work from out of state, and she was not sure if staff was aware of that. She thanked Miri Smith-Coolidge for setting up the network and system stuff, and stated much appreciation for her. She thanked Valette Keller for preparing her for the CEO evaluation process. She thanked Carol Howarth for her transparency and honesty. She thanked CEO Williams for his indulgence about the grant training and the additional dialogue over grants. She stated appreciation for Trustee Moran for sharing observations about how it might be more meaningful for rural communities if it was more widely known. She appreciated the dialogue, discussions and the support. She thanked everyone, and moved to the last item on the agenda which was a CEO annual performance evaluation, and asked for a motion to enter into Executive Session.

CEO ANNUAL PERFORMANCE EVALUATION

MOTION: A motion that the Alaska Mental Health Trust Authority Full Board of Trustees go into Executive Session to perform the annual performance evaluation of the Chief Executive Officer in accordance with the Open Meetings Act, AS 44.62.310(c) was made by TRUSTEE FISHER; seconded by TRUSTEE MORAN.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Fisher, yes; Trustee Sturgeon, yes; Trustee Fimon, yes; Chair Halterman, yes.)

MS. KELLER asked if the Chair would like to have any staff sit in on the Executive Session.

CHAIR HALTERMAN asked to initially have Ms. Keller and Ms. Smith-Coolidge in the Executive Session.

(Executive Session from 12:38 p.m. until 4:12 p.m.)

TRUSTEE FISHER stated, for the record, that he, his fellow trustees and members of the Trust Authority were returning to the Full Board of Trustees meeting from the Executive Session. During the Executive Session, the Board of Trustees only discussed the items identified in the motion to move into Executive Session. The Board of Trustees did not take any action while in Executive Session.

CHAIR HALTERMAN entertained a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE MORAN; seconded by TRUSTEE BOERNER.

After the roll-call vote, the MOTION was APPROVED. (Trustee Boerner, yes; Trustee Boyles, yes; Trustee Moran, yes; Trustee Fisher, yes.) Chair Halterman noted, for the record, that just before getting out of Executive Session, Trustees Sturgeon and Fimon were excused.

(Alaska Mental Health Trust Full Board meeting adjourned at 4:15 p.m.)

Current Trust Bylaws

1
2
3 ALASKA MENTAL HEALTH TRUST AUTHORITY
4 BYLAWS
5

6
7 ARTICLE I
8 NAME
9

10 The name of this organization is the Alaska Mental Health Trust Authority.
11

12
13 ARTICLE II
14 PURPOSE OF THE AUTHORITY
15

16 The Alaska Mental Health Trust Authority acts in the best interest of the beneficiaries
17 of the trust. It is accountable to:

- 18 (a) Provide for sound governance, fiduciary oversight and direction in achieving the
19 mission of the Trust Authority;
20 (b) Ensure an integrated, comprehensive mental health program for the State of Alaska
21 in partnership with Department of Health and Social Services (DHSS); and
22 (c) Preserve, protect, and grow the trust corpus and administer trust assets.
23
24

25 ARTICLE III
26 BOARD OF TRUSTEE MEMBERSHIP AND TERMS OF OFFICE
27

28 Section 1. Trust Authority board of trustees composition:

- 29 (a) The Trust Authority shall be governed by its board of trustees.
30 (b) The Trust Authority board of trustees, hereafter referred to as the board, consists of
31 seven members appointed by the governor in accordance with AS 47.30.016 and
32 confirmed by the legislature.
33

34 Section 2. Term of office, vacancies, and removal:

- 35 (a) The members of the board serve staggered five-year terms. A member shall continue
36 to serve until the member's successor is appointed and confirmed by the legislature.
37 (b) A vacancy occurring in the membership of the board shall be filled within 60 days by
38 appointment of the governor for the unexpired portion of the vacated term.
39 (c) The governor may remove a member of the board only for cause per AS 47.30.021.
40 (d) Except for a trustee who has served two consecutive five-year terms, a member of
41 the board may be reappointed. A member of the board who has served two
42 consecutive five-year terms is not eligible for reappointment to the board until one
43 year has intervened as per AS 47.30.021(d).
44
45

ARTICLE IV
BOARD OF TRUSTEE DUTIES

Section 1: The role of the board is to:

- (a) Set the vision for the organization;
- (b) Set policies for the organization, including adoption of regulations as appropriate under AS 47.30.031;
- (c) Adopt charters that define the role, authority, operating procedures, duties, and responsibilities of the board and standing committees; and
- (d) Approve contractual agreements with advisors as defined in statute and the settlement agreement, specifically Alaska Permanent Fund Corporation (APFC), Department of Natural Resources (DNR), and Statutory Advisory Boards.
- (e) Fulfill the duties listed in AS 37.14.007(b)(1)-(12).

Section 2: The board will conduct business in accordance with AS 47.30.036.

ARTICLE V
OFFICERS AND DUTIES

Section 1. The board, by a majority vote of its membership, shall annually elect a Chair, Vice Chair, and Secretary from its membership.

Section 2. The officers will be elected by a majority vote at the annual budget approval meeting, and officers' terms of office commence upon adjournment of that meeting. Officers' terms of office end effective at adjournment of the meeting in which new officers are elected.

Section 3. Officers may be re-elected to the office in which they serve by vote of the membership of the board as above. The board's intention is to allow board members the opportunity to serve in officer roles in support of ongoing board development. To that end, no member may serve more than 2 consecutive terms in the same office except as provided for by affirmative vote of 5 board members.

Section 4. If the office of the Chair becomes vacant, the Vice Chair succeeds to the office of the Chair and serves until an election held at the next board meeting. The newly elected Chair will serve until the next annual election.

Section 5. Except for the office of Chair, if an office of the board becomes vacant, an election shall be held to fill the vacancy at the next regular meeting following the vacancy. The officer will serve until the next annual election.

Section 6. The duties of the officers shall be as follows:

(a) Chair

- 1. Call all meetings. Preside at all meetings.
- 2. Appoint chairs of committees and committee members.

3. Serve as ex-officio (voting) member of all committees, but may not concurrently serve as board Chair and chair of any standing committee, with the exception of the Executive Committee.
4. Act as primary spokesperson for the board.
5. Act as one of the official spokespersons for the Trust Authority, together with the Chief Executive Officer (CEO), when requested by the Chief Communications Officer.

(b) Vice Chair

1. Assist the Chair in the discharge of his/her duties.
2. Perform the duties of the Chair in the absence or incapacity of the Chair.
3. Perform other duties as assigned by the board.

(c) Secretary

1. Assume duties of the Chair when Chair and Vice Chair are unavailable.
2. Perform other duties as assigned by the board.
3. Assure that the records of board proceedings are maintained in accordance with these bylaws and in accordance with AS 37.14.007(b)(2) and the Records Management Act (AS 40.21).

ARTICLE VI
MEETINGS

Section 1. The board will hold four regular meetings each fiscal year. Committees will meet as necessary to accomplish their responsibilities.

Section 2. Special or emergency meetings of the board may be held at such time and place as the Chair may order; or upon the written request to the Chair of any four trustees.

Section 3. Reasonable public notice of board and committee meetings shall be provided in accordance with AS 44.62.310. Meetings of the board and its committees are subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.

Section 4. A quorum at all board meetings shall consist of four board members. A quorum at committee meetings is a majority of the committee's members.

Section 5. No member of the board may designate a proxy.

Section 6. The board will schedule at least one period for public comment during each regularly scheduled board meeting.

Section 7. Formal actions by the board are accomplished through adoption of motions.

ARTICLE VII
COMMITTEES OF THE BOARD

There will be five standing committees of the board. Standing committee chairs and members will be appointed by the Chair after polling the board regarding individual trustee's interest and ability to serve. A member may serve as chair of only one standing committee at any time except as a stand-in until the next regularly scheduled board meeting. Standing committees will have a minimum of 3 committee members. The board chair may designate ad hoc committees to accomplish special purposes. Persons other than board members may serve on the board's ad hoc committees; however, such persons may not be voting members of such committees, only appointed board members may vote on committee actions. Committee recommendations will be reported to the board for action at the next regular board meeting.

Section 1. The Executive Committee of the board is composed of three board officers, the Chair, the Vice Chair, and the Secretary. The Executive Committee will:

- (a) Ensure development of policies for governing the Trust Authority for approval by the board.
- (b) Oversee implementation of governance policies at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.
- (c) The Executive Committee will meet only as needed.

Section 2. The Resource Management Committee will, in consultation with the CEO and Executive Director (ED) of the TLO:

- (a) Ensure development of policies for protecting, enhancing, and managing the trust's non-cash resources in the best interests of the beneficiaries for approval by the board.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.

Section 3. The Program and Planning Committee will, in consultation with the CEO and Executive Director (ED) of Mental Health Policy and Programs.:

- (a) Ensure development of policies to meet needs and improve the circumstances of beneficiaries; and recommends to the board for approval.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

Section 4. The Finance Committee will, in consultation with the CEO and Chief Financial Officer (CFO):

- (a) Ensure development of policies for investment and fiscal management for approval by the board.
- (b) Oversee implementation of approved investment and fiscal management policies on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

- 1 Section 5. The Audit and Risk Committee will, in consultation with the CEO and CFO:
2 (a) Ensure development of policies for managing the annual audit process and
3 identifying and addressing organizational risk for approval by the board.
4 (b) Oversee implementation of approved audit and risk management policies on behalf
5 of the board in accordance with Trust Authority statutes and regulations and the
6 committee charter adopted by the board.

7
8
9 ARTICLE VIII
10 CHIEF EXECUTIVE OFFICER
11

12 Section 1. The board shall select and employ a Chief Executive Officer as provided by law.
13

14 Section 2. The Chief Executive Officer is responsible for day-to-day operations of the Trust
15 Authority including planning, organizing, coordinating, and directing all activities
16 necessary to enable the Trust Authority to exercise its powers and duties, and
17 fulfill the purpose of the Trust Authority. The CEO will operate and conduct the
18 business and affairs of the Trust Authority according to the statutes, regulations,
19 bylaws, policies, and charters adopted by the board. The CEO duties and
20 responsibilities shall be set forth in a CEO Job description to be adopted by the
21 board.
22

23 Section 3. The Chief Executive Officer shall oversee administration of the contract with the
24 Trust Land Office on behalf of the Trust Authority to ensure compliance with
25 AS 37.14.009(a)(2).
26
27

28 Section 4. The board will evaluate the Chief Executive Officer's performance annually in
29 writing. The board will define the process for conducting annual reviews and
30 include it in the Board Operations Manual.
31

32 Section 5. Termination of employment of the Chief Executive Officer is by majority vote of
33 the board.
34
35

36 ARTICLE IX
37 PARLIAMENTARY AUTHORITY
38

39 Unless otherwise provided by law or these bylaws, the board's procedures shall be
40 governed by Robert's Rules of Order Newly Revised. The Chair may appoint an appropriate
41 person to serve as parliamentarian.
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44 ARTICLE X
45 ETHICS
46

47 Board members are required to comply with the Alaska Executive Branch Ethics Act
48 (AS 39.52) and AS 47.30.016(c)(2).

1
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3 ARTICLE XI
4 AMENDMENT OF BYLAWS
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6 These bylaws may be amended at any meeting of the board. Amendment of these
7 bylaws requires 5 affirmative votes of board members provided that written notice and
8 copies of the proposed amendment have been submitted to the members 30 days prior to
9 the meeting, or by unanimous vote without notice.
10

11
12 ARTICLE XII
13 DEFINITIONS
14

15 In these bylaws,
16

17 **The Alaska Mental Health Trust** means the sum of all assets owned by the Alaska
18 Mental Health Trust as established by the Alaska Mental Health Trust Enabling Act, P.L. 84-
19 830, 70 Stat. 709 (1956) and the Mental Health Settlement Agreement (June 10, 1994),
20 including cash and non-cash assets.
21

22 **The Alaska Mental Health Trust Authority (the Trust Authority)** means the entity
23 charged with administering the trust, as trustee, is governed by a seven-member board. (AS
24 37.14.007, AS 47.30.011, AS 47.30.016)
25

26 **The Trust Land Office (TLO)** means the unit of the Alaska Department of Natural
27 Resources that is charged with managing the trust's natural resources, land, and other fixed
28 assets. (AS 44.37.050)
29

30 **Regular Meeting** means a board meeting that is scheduled at the annual budget
31 meeting to occur during the succeeding year, provided that a regular meeting that is
32 rescheduled on reasonable notice to the public is still a regular board meeting.
33

34 **Special Meeting** means any board meeting other than a regular meeting, including
35 an emergency meeting.
36

37 **Emergency Meeting** means any board meeting conducted for the purpose of
38 addressing time sensitive matters that may not be capable of resolution within the statutory
39 or delegated authority of the Executive Committee or the CEO. If an emergency meeting is
40 conducted on less than the customary public notice, public notice shall be published as
41 soon as practicable. If the agenda of an emergency meeting is not available in advance, the
42 agenda will be published as soon as practicable after the emergency meeting.

Mary Jane Michael, Chair

Laraine Derr, Secretary

Program & Planning Committee Report / Update

To: Anita Halterman, Chair
Through: Steve Williams, Chief Executive Officer
From: Katie Baldwin-Johnson, Chief Operating Officer
Date: January 16, 2023
Re: Program and Planning Committee Report

The meeting occurred on January 5, 2023 and was attended by trustees Verné Boerner (chair), Anita Halterman, John Sturgeon, Kevin Fimon, Rhonda Boyles and Agnes Moran. Trustee Fisher was excused. The meeting was held virtually via Webex.

Board Action Required: On January 5, 2023 the Program & Planning Committee approved a recommendation to the full board of trustees to approve a FY23 Mental Health & Addiction Intervention Focus Area allocation in the amount of \$1,554,269.00 to the Providence Health & Services Alaska dba Providence Alaska Medical Center for the Crisis Stabilization Center – Phase II Ramp Up and Launch. This committee action requires full board of trustees’ approval.

MOTION

The board of trustees approve the Program & Planning Committee’s recommendation to approve the \$1,554,269.00 FY23 Mental Health & Addiction Intervention focus area allocation to the Providence Health & Services Alaska dba Providence Alaska Medical Center for the Crisis Stabilization Center – Phase II Ramp Up and Launch. These funds will come from the FY23 Crisis Continuum of Care budget line.

Meeting Summary:

The following items were presented and discussed by the committee.

1) CEO Update

Steve Williams (CEO, Alaska Mental Health Trust Authority) provided an update on the following items:

- Announcement of new hire, Janie Caq’ar Ferguson, as Program Officer starting January 17, 2023. Janie’s professional background includes evaluation, survey and program development, research, and inpatient adolescent behavioral health care.
- Provided a high-level overview of the committee meeting agendas for both days.
- Updated the committee on issues related to public assistance and food stamps and the recently released U.S. Department of Justice report on Alaska’s behavioral healthcare system for children.

- Acknowledged Trust appreciation for partners retiring from state service: Gennifer Moreau-Johnson, Director of the Division of Behavioral Health, and Laura Brooks, Division Director for Rehabilitation with the Department of Corrections.

2) *Crisis Now Update*

Katie Baldwin, Chief Operating Officer and Eric Boyer, Senior Program Officer

- A presentation was provided on the statewide progress of the Crisis Now Initiative, including a timeline review of the following significant accomplishments: implementation of the 1115 Behavioral Health Medicaid Waiver, passage of HB172- which establishes crisis stabilization centers in statute, the launch of mobile crisis teams in Fairbanks and the Mat-Su Valley, and the anticipated launch of crisis stabilization services in Anchorage in 2024.

3) *Providence Alaska Crisis Stabilization Update*

Ella Goss, Chief Executive with Providence Alaska Medical Center and Renee Rafferty, Regional Director of Behavioral Health

- Ella Goss is Providence Alaska's new Chief Executive Officer, who moved into her position in September of 2022. Ms. Goss has been in Alaska for 27 years and with Providence Alaska for over 25 years. Renee Rafferty, Behavioral Health Director, who has been with Providence Alaska for more than two decades, shared about the progress made with the support of the Trust's Phase I planning grant which has led to the second Phase: Ramp Up and Launch of crisis stabilization services early in 2024. An overview of implementation activities in Phase II was highlighted.

4) *Governor's FY24 Budget Update*

Katie Baldwin, COO

- An overview of the Governor's proposed budget was provided with attention to deviations from the trustee approved 2024 budget recommendations. Staff shared the Trust Authority will focus on working with the state of Alaska administration and legislature to get as many of the recommendations as possible back into the budget via the governor's amended budget and the legislative process.

5) *Tribal Health Systems of Care*

April Kyle, President/CEO, Southcentral Foundation and Alberta Unok, President/CEO, Alaska Native Health Board

- Speakers provided a comprehensive overview of the tribal health system of care and about generations of tribal health, healing and practice in caring for Alaskan Native communities across the state. The significance of Self-Determination was emphasized, with the right of native people to guide, govern and develop the health systems that best meet the needs of their communities.
- The overview also focused on the Tribal Health Compact, representing 229 tribes in Alaska, which establishes the ability for Tribes and Tribal organizations to assume full responsibility of programs and services. The compact sets forth general terms of the government-to-government relationship between Tribes, Tribal organizations and the Secretary of U.S. Health and Human Services. The compact with the Indian Health Service (IHS) is to assume full control over programs which the IHS would have otherwise provided.
- Also provided was a comprehensive overview of Southcentral Foundation's continuum of care for customer owners, and an overview of core advocacy priorities.

6) *FY25 Budget Process Update*

Katie Baldwin, COO

- An informational update on the FY25 budget review/development process that will get underway in February 2023 was shared with trustees.

7) Below are the funding requests that were presented to the Committee and the corresponding actions taken by the Committee.

- Providence Alaska's Crisis Stabilization Phase II Ramp Up & Launch project was considered, approved, and forwarded to the full Board of Trustees for approval at the January 24/25 board meeting in Juneau.
- Crisis Now Initiative Project Management Contract Funding (\$250,000) – Approved

The Program and Planning Committee adjourned at approximately 3:00pm on January 5, 2023. The next meeting of the committee is currently scheduled for *April 20, 2023*.

MEMO

To: Verné Boerner - Program & Planning Committee Chair
Date: December 28, 2022
Re: FY23 Mental Health & Addiction Intervention Focus Area Allocation
Fund Source: FY23 Crisis Continuum of Care
Amount: \$1,554,269.00
Grantee: Providence Health & Services Alaska dba Providence Alaska Medical Center
Project Title: Crisis Stabilization Center - Phase II Ramp Up and Launch

REQUESTED MOTION:

The Program & Planning Committee recommends that the full Board of Trustees approve a \$1,554,269 Mental Health and Addiction Intervention focus area allocation to the Providence Health & Services Alaska dba Providence Alaska Medical Center for the Crisis Stabilization Center – Phase II Ramp Up and Launch. These funds will come from the FY23 Crisis Continuum of Care budget line.

Assigned Program Staff: Katie Baldwin

STAFF ANALYSIS

Providence Alaska has been a prominently engaged partner with the Trust and others in the planning efforts to address the gaps in crisis care services in Anchorage and across the state. These gaps result in beneficiaries not receiving timely mental health interventions, unnecessary suffering and despair, and frequent engagement with law enforcement. Neither a traditional emergency room department or a law enforcement response is designed to meet the unique needs of individuals and behavioral health crisis. Gaps in the availability of community based crisis response and behavioral health care can result in individuals waiting in hospitals for hours to days and on occasion jails for an appropriate treatment setting, often because other options do not exist.

Improving the crisis response requires partnerships across agencies and sectors that enable committed parties to implement a vision for a continuum of enhanced crisis services that is intentionally designed and coordinated. These improvements will also require that organizations contemplating operation of new service lines to have access to capital and launch support. Recognizing this, Trustees authorized \$4.21 million to support the Trust's prioritized work in this area in FY23.

In April of 2019, Providence Alaska and Southcentral Foundation established a joint planning workgroup focused on improving the behavioral health continuum of care in Anchorage, including

crisis response. Inviting the Trust to partner on this effort, Providence Alaska joined Trust led efforts in the fall of 2019 in evaluating existing crisis services. This evaluation was supported by RI international, a national leader in crisis care, which was contracted by the Trust to identify the gaps and opportunities to optimize and develop the primary components of effective crisis system design. Effective crisis system design contains the three main components of the crisis now framework: a crisis call center, mobile crisis teams and crisis stabilization centers that are operated as part of an intentionally coordinated system to serve as a community solution that offers no wrong door (no to low barrier access) for people in psychiatric crisis.

Leadership from Providence Alaska also joined the Trust immersion visit to the programs in Arizona that are exemplary operators of crisis response and stabilization services to help solidify partnership, learn from Arizona's successes, and conceptualize application in Alaska. After two years of engagement and exploration of various program models, Providence Alaska received funding from the Trust in May of 2021 to support the first phase of a 2 phased approach for planning and development of 23 hour, short term crisis stabilization and, at the time intensive case management programming.

With support of Trust funding in phase one, Providence made significant progress in the development of the clinical model of care, policies, workflows, staffing patterns, financial modeling, legal consultation, metrics, and workforce recruitment plans. Providence utilized consultants, including RI International, in the development of staffing and training models and effective facility design.

During this period, Providence selected an existing Providence building near the Alaska Psychiatric Institute for the location to house the 23- hour crisis receiving center, the short-term crisis stabilization program and a behavioral health urgent care center. The behavioral health urgent care center was identified as an important program to further enhance access to outpatient mental health and addiction resources, and build-out programming within the same campus of crisis stabilization services.

Progress was made on the architectural conceptual design for the facility and using initial construction cost projections, Providence successfully advocated for and received an \$8,000,000 capital increment during the last legislative session. Providence actively pursued additional funding for capital as well as funding from the Municipality of Anchorage to partially support workforce recruitment, development and training.

While making substantial progress during the first phase and through careful consideration taken by the planning team to complete comprehensive planning and service design, Providence is now ready to enter the second phase of service ramp-up and launch by early 2024. Extensive financial modeling has informed this proposal and reflects what is needed to start up services within the identified timeframes. More precise capital cost estimates will be completed by April of 2023 when the 65% architectural design is available and will inform what remaining capital fundraising is necessary to complete facility modifications. Providence is working on capital fundraising strategies which will include a combination of philanthropic, municipal and other sources. For reference, a five year budget model is included with this proposal.

Currently, there is no crisis stabilization service as proposed in Anchorage or elsewhere in the state. Once implemented it will be able to help meet the needs of Trust beneficiaries in crisis and begin diverting them from emergency rooms and the criminal justice system. Data has shown that the 23-

hour crisis stabilization centers have the capability to resolve crisis for a high percentage (90%) of individuals receiving care. Without access to stabilization services, most of these individuals would otherwise be served in higher levels of care, emergency room departments, jails or in the community without supports. This new approach and philosophy of care has the potential to be transformative for how we respond to and serve individuals in crisis. Providence, with the support of the State, Southcentral Foundation and local law enforcement and community health providers, is taking a lead within our state to implement Alaska's first no-wrong door, low-to-no barrier access to crisis stabilization services.

The Trust program staff have worked collaboratively with Providence to bring this proposal forward for funding consideration for the second phase leading to launch of services. The funding for this request will be designated from the Trustee approved FY23 Mental Health and Addiction (MHAI) focus area, Crisis Now Continuum of Care implementation strategy line. There is \$4,215,000 budgeted in this strategy (reference: FY23 budget, MHAI Focus Area, page 4, line 18).

Trust staff recommend this proposal be fully funded.

COMP PLAN IDENTIFICATION

Goal	Objective	Comments
Goal 5 Suicide Prevention	5.2 Crisis system improvement	Crisis stabilization is a key component of effective crisis response. Additional goals supported include: Goal 5 Suicide Prevention, Objective 5.2 Improve system to assist individuals in crisis; Goal 7, Services in least restrictive environment, Objectives 7.2 (avoiding institutional placements) and 7.3 (reducing number of beneficiaries entering the criminal justice or juvenile justice settings).

PROJECT DESCRIPTION

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

Providence Health & Services Alaska respectfully requests \$1,554,269 in funding to support the development and launch of the Crisis Now model of emergency behavioral health care in Anchorage, including:

- A 23-hour crisis stabilization service to provide immediate care and an always-available entryway to behavioral health services
- A 24-hour service to provide additional care and transition the client to the appropriate next level of care and,
- A Behavioral Health Urgent Care Center.

These programs are designed to fit within the larger continuum of behavioral health services in Anchorage, including Providence's psychiatric emergency department and outpatient behavioral health clinics, as well as services provided by tribal health and other providers in the community. Anchorage is in desperate need of a comprehensive behavioral health crisis response system. Our community's behavioral health infrastructure is fragile, overburdened with the incidence of crises associated with violence, suicide, alcohol, methamphetamine, and opioid overdose, as well as mental illness and homelessness, all of which continue to escalate while service capacity diminishes. The pandemic has only worsened the growth of behavioral crisis for our most vulnerable community members and pushing our community into emergency rooms and jails.

For the past two years, Providence Health and Services Alaska has partnered with Alaska Mental Health Trust Authority (the Trust), State of Alaska Department of Health, Southcentral Foundation, Emergency Medical Services (EMS), Anchorage law enforcement, and other key stakeholders to evaluate and advocate for an intentional design of low- to no-barrier crisis stabilization services, with the intent to become the designated (non-tribal health) Crisis Now stabilization provider in Anchorage. The planning grant we received from the Trust (\$400k, approved in May 2021) was used to design the model of care and ensure that the regulatory and licensing landscape supported involuntary high acuity medical and behavioral health crisis care could occur in a community behavioral health setting. We were successful in collaborating with our stakeholders to ensure that Alaska can provide involuntary care for high acuity beneficiaries under the 1115 waiver. We completed the building design to 35% and determined the clinical design of a "no wrong door" approach in the Alaska landscape.

In reviewing the initial 10 goals of the initial planning grant received from the Trust, Providence with our partners have made significant progress on the planning and development to address the gaps in the behavioral health continuum of care in Anchorage, including but not limited to, development of the clinical model of crisis care, including policies, workflows, staffing patterns, and more; identification of needed funding to maintain financial sustainability; legal consultation; setting timelines and goals for outcomes and key metrics; developed a workforce plan; engaged consultants and traveled to sites with evidence-based crisis care; managed the project with external stakeholders; and developed a high-level building schematic.

Our partners were successful in advocating for passage of HB172, which establishes No Wrong Door Crisis Stabilization Centers in statute, and without this grant and the collaboration from State and community stakeholders, launching this new program in Alaska is not possible within the identified timeline. As a result of work done during the planning period, collaboration with the Department of Health, the Trust and support from the community, Providence is committed to implementing a comprehensive crisis stabilization center.

During the implementation phase, Providence will be transitioning from planning and evaluating to implementing. This implementation grant will support hiring and training of staff and will continue the work to address the care model's legal, regulatory, financial, and capital requirements, as well as program implementation.

Most of the resources needed for this implementation grant are related to hiring key talent. This funding will ensure that we draw in the leadership talent, develop talent locally, and recruit talent from the lower 48 as well as from within Alaska. Operations, medical, nursing, mental health

clinicians and peers are necessary at all levels, 24/7, to support the programmatic and staffing patterns to deliver safe care for individuals presenting with higher acuity and complexity of behavioral health needs. Due to the workforce shortages, we will need a long glide path of hiring to meet our goals of opening January 2024. With staff and patient safety at the forefront of our implementation, we will strive to be staffed months in advance of our doors opening so that we have appropriately prepared our teams with the training necessary to provide effective interventions and maintain patient and staff safety. We have secured ARPA funding from the Municipality of Anchorage to assist in this effort and due to the large size of the program we want to ensure that we have robust funding to draw in talent.

Funding for Phase II of the planning, development, and implementation of the Crisis Stabilization Center would support Providence to:

1. Complete 65% design, therapeutic setting design and design construction for the center.
2. Secure final capital funding from other stakeholders and funders.
3. Implement the clinical model of crisis care for all three programs (including Behavioral Health Urgent Care, 23-hour Stabilization, and Crisis Residential), including policies, workflows, staffing patterns, training, and zero suicide safer care.
4. Further legal consultation for regulatory landscape and licensure for the building and care.
5. Use workforce plan to hire key talent and develop recruitment strategies.
6. Consult with RI to use their guidelines within the Alaskan landscape for “no wrong door” model of care.
7. Coordinate and manage the project with external stakeholders.
8. Engage with governing body for crisis care to develop the workflows for patients moving through the system.
9. Seek designation from the State as the Crisis Stabilization center.
10. Implementation of Crisis Stabilization Center and Behavioral Health Urgent Care coming online in the first quarter 2024.

Providence has identified a building which will be the location for the Crisis Center. This building is 3760 Piper St. on the east side of the building near the Alaska Psychiatric Institute. We have attached a pro forma that includes the cost that Providence has contributed to this project.

The location of the Comprehensive Crisis Stabilization Center is co-located in the same facility as the Behavioral Health Urgent Care, Providence Mental Health services, Breakthrough, and the Bridge Clinic. The expected flow for the Behavioral Health Urgent Care and Crisis Stabilization Center follows:

Urgent Care: Upon opening, the hours of this clinic will be Monday through Friday 10-6. This clinic will serve adolescents ages 12 and older, as well as adults who are voluntarily seeking care. This is a walk-in clinic and is designed to support people experiencing a behavioral health crisis that requires brief support/intervention from a Psychiatric Nurse Practitioner, Clinician (Social Worker or Licensed Professional Counselor), or a Peer Support Specialist. This clinic will also provide brief intervention, to include medication assisted treatment for those with a substance use disorder. This clinic functions as an outpatient behavioral health urgent care, and therefore, most individuals served will be returning to the community immediately following their visit. In some cases, individuals may be referred to a higher level of care, which could include the Crisis

Stabilization Center, the adolescent Crisis Recovery Center, the Psychiatric Emergency Department or Alaska Psychiatric Institute (API).

Crisis Receiving Center / 23-hour Crisis Stabilization: Individuals 18 and older can access care in the Crisis Stabilization Receiving Center as a walk-in or through the Anchorage Police Department, Anchorage Fire Department, or other emergency responder. The receiving center will provide care to those who are voluntary, as well as those who are on an involuntary or court ordered hold. The goal of the receiving center is to provide brief intervention and observation for those experiencing a behavioral health crisis. If stabilization can be achieved, individuals will be supported to safety plan and discharge with a safe transition back to the community or a determined alternate level of care. If the guest requires ongoing intervention and/or observation and assessment, they would be referred to the Short-Term Crisis Residential Stabilization.

Short-Term Crisis Residential Stabilization Center: Individuals 18 and older can be referred after being assessed in the Crisis Receiving Center. The projected average length of stay in the Crisis Residential Center is 4-7 days. All guests will be provided with evidenced based, trauma informed, clinical intervention throughout their stay, with the focus remaining on stabilization and a safe discharge back to the community. In some cases, individuals may require a transfer to a higher level of care, including, but not limited to API, Designated Evaluation and Treatment facilities, alternate residential settings, etc.

The primary outcomes of this implementation grant will include launching a crisis stabilization center which includes a behavioral health urgent care, a 23-hour (recliners) receiving center and short-term crisis residential (beds).

Providence and its partners are dedicated to ensuring that those suffering from mental health and substance use disorders have access to state-of-the-art behavioral health treatment for both voluntary and involuntary care in a community behavioral health setting. Providence is committed to ongoing partnerships and collaboration with key stakeholders/contractors throughout implementation, including serving on the Anchorage implementation steering committee (Crisis Collaborative), developing formal memorandums of understanding, etc. We will be partnering and advocating for the improvements within the system to strengthen trauma informed “no-wrong-door” treatment programs.

Providence respectfully requests \$1,554,269 from the Trust for continued planning, development, and initial implementation of Alaska’s first “no wrong door” Stabilization center serving both involuntary and voluntary beneficiaries in all levels of crisis.

Service Population: Providence’s Crisis Stabilization Center will serve adults (ages 18+) experiencing acute behavioral health crisis and will accept patients who are voluntary, under Notice of Emergency Detention, and those who are under an ex parte order for 72-hour evaluation. The Behavioral Health Urgent Care Clinic will serve youth (ages 12+) and adults. We are planning to serve Alaskans representing all beneficiaries of the Trust.

EVALUATION CRITERIA

We are thrilled that the Trust, Alaska Department of Health and Department of Family and Community Services are engaged in supporting providers to seek solutions for behavioral health challenges related to access to care. The Trust and Providence worked closely with the Division of Behavioral Health (DBH) and now DBH has agreed that we can use the 1115 waiver to serve patients that are involuntary as well as voluntary. Prior to receiving our planning grant the Division of Behavioral Health planned to only serve voluntary patients which would not have increased access to our most complex patients and solved the key component of the gaps in the crisis continuum. This center will increase access to care significantly in Anchorage and we plan to use the number of visits as a key measure of success and hope to be open at 50% capacity for the first few months following opening and be at 75% capacity by the beginning of 2025.

Success for this project also includes a fully developed model of care, financial pro forma, and regulatory, and billing path. Continuing engaging external stakeholders including seeking memorandums of agreement between police, emergency management systems, government entities, and other providers to ensure that the crisis stabilization is set up to grow and transform into a “no-wrong-door” system of intervention and care. Some of the metrics Providence have developed include the following:

- Timeliness (time from arrival to provider contact, time from arrival to discharge, percentage of patients who leave without evaluation).
- Safety (Rate of self-directed violence with moderate to severe injury per 1000 visits, incidence of workplace violence with injury by total hours worked, and more).
- Accessibility (denied referral rates)
- Least Restrictive Setting (percentage of visits resulting in discharge to community, hours of seclusion per 1000 hours, and more).
- Effectiveness (percent of visits resulting in unscheduled return visits)
- Client / Family Centered (likelihood to recommend, percentage of individuals with documented attempt to contact family or other supports)
- Partnership (time from law enforcement arrival to departure, percentage of hours crisis center was unable to accept transfers due to capacity, and more)

SUSTAINABILITY

Providence and the Trust have already had great success in bringing capital funding and vision for financial sustainability to this project. As a result of this collaboration, we received \$8 million through a Legislative Designated grant for capital funding, \$884,862 of ARPA funding from the Municipality of Anchorage for recruitment, and \$750,000 appropriation funding through Senator Murkowski as part of the \$1.7T Omnibus package that passed congress on December 22, 2022 and is awaiting President Biden’s signature. In addition to the support provided by the generosity of the Trust, the state, and the municipality; Providence Alaska is investing a facility valued at \$4,968,000 and over \$183,000 for personnel and behavioral health leadership costs. Providence Alaska applied for funding to hire peer support specialists for the Behavioral Health Urgent Care Center, and we are awaiting notification of funding.

We likely will need more funding for capital expenses but will not know the amount until we get to 65% build. Providence Alaska real estate team is collaborating with contractors to complete the 65% drawings and confirm the total cost for the remodel to accommodate the best practices in the Crisis Stabilization Center. The expectation is that the 65% drawings will be complete in early 2023. Once the costs are confirmed, Providence Alaska will submit a funding request to the Rasmuson Foundation for support and will work with the Municipality of Anchorage to support the project with alcohol tax money or other municipal contribution. We have several funders that are excited about this project and have stated they wish to remain engaged and will be pursued to help meet future funding support. This success is a testimony to incredible community and government support for the success of crisis system transformation, championed by the Trust, the Department of health, and local and statewide collaborations.

Providence has attached a 5-year preliminary pro forma with projections that show eventual financial sustainability based. Although, we are still early in the process and cannot be completely accurate understanding numbers for the expenses, making this a significant financial risk for Providence as we move forward. Currently, Providence loses over \$1.5 million dollars in community behavioral health programs. The Trust's commitment to support a glide path is essential as we negotiate payment structures that will provide financial sustainability within the Alaskan healthcare system. Providence commits to continue close collaboration with our Tribal partners and other providers as important and vested stakeholders. The process of developing a new system of care will increase access to care for Trust beneficiaries and their families. This project will also benefit other providers' program models, as a blueprint for trauma-informed and recovery-oriented care. Providence will have established relationships that hold the system of care accountable for reformation and improved care. This project supports the second phase of system development and will substantially increase access to care.

WHO WE SERVE

This project will benefit Anchorage adult Trust beneficiaries from all beneficiary categories who are experiencing a crisis related to a mental health or substance use disorder by ensuring that a path for complex program development is available. The RI consultation report for Anchorage revealed that Anchorage Trust beneficiaries experience 6,997 crisis episodes annually. Trust beneficiaries that experience crisis with the highest acuity are being harmed within our current system. They are being held in emergency departments without access to therapeutic intervention and evidence-based care settings or incarcerated. Intervention for complex crises are often unavailable for beneficiaries and the population at large, and community members suffer and experience trauma within the system which should be helping them. The investment in this project will ensure that evidence-based, safer effective care is available for acute crisis, including substance misuse and substance use disorders, serious psychological distress, suicide, and mental and substance use disorders. The stabilization center's "no-wrong-door" policy is a key component to changing the system of care and will require significant planning and partnerships in determining a safe timeline to increase access and build clinical efficacy to support the complexity of clinical issues. No other non-tribal provider has been able to step into this space. Providence is stepping into this space with support of the larger community to become a no- to low-barrier stabilization service and are committed to strong partnerships with EMS, local law enforcement, and other key stakeholders/providers to develop a coordinated system of care to serve all adults who present at the stabilization center with a crisis.

Providence estimates 1,900 Trust beneficiaries will seek support through the Behavioral Health Urgent Care for an estimated 3,750 visits annually. Providence estimates responding to 4,273 episodes at the 23-hour Crisis Stabilization and 931 episodes at the Crisis Residential Center. Providence predicts Trust beneficiaries from all beneficiary categories will benefit from the development of Behavioral Health Urgent Care and the Crisis Stabilization Center. The estimate of the number of beneficiaries within each beneficiary category are projected estimates for a full year following facility opening. Many of the beneficiaries have co-occurring disorders and the total estimated beneficiaries listed in the application may not be an unduplicated number. Specific beneficiary counts will be further measured and addressed as we move into implementation.

ESTIMATED NUMBERS OF BENEFICIARIES SERVED EXPERIENCING:

Mental Illness:	3,000
Developmental Disabilities:	100
Alzheimer's Disease & Related Dementias:	60
Substance Abuse	3,000
Traumatic Brain Injuries:	50
Number of people to be trained	70

BUDGET

Personnel Services Costs	\$827,526.00
Personnel Services Costs (Other Sources)	\$902,356.59
Personnel Services Narrative:	<p>Behavioral Health Leadership – This line represents time provided by leaders from Providence Alaska's behavioral health service line developing the Crisis Stabilization, Residential, and Urgent Care programs, as well as other areas such as Real Estate, Food & Nutrition Services, Facilities, and Pharmacy engaging as needed to advise. Total cost to the program is estimated at \$183,000, which will be provided by Providence.</p> <p>Program Manager – Directs the development of the program's care model, policies, and procedures, and will provide overall direction and supervision of Crisis Stabilization, Residential, and Urgent Care operations once the center is open. Total cost to the program is estimated at \$266,171, of which \$134,627 has been covered by the AMHTA Phase I grant and \$131,544 is requested in additional funding.</p> <p>Medical Director – Provides medical oversight to the program to ensure quality care and regulatory</p>

compliance. Total cost to the program is estimated at \$200,000, of which \$16,500 will be covered by the AMHTA Phase I grant and \$183,500 is requested in additional funding.

Nursing Supervisor – Oversees the nursing positions in the Crisis Stabilization and Residential care teams, and will be hired early, if possible, to assist with the development of processes, documents, and job aids. Total cost to the program is estimated at \$45,588, which we are requesting in this round of funding.

Lead Clinician – Oversees the clinicians in the Crisis Stabilization and Residential care teams, and will be hired early, if possible, to assist with the development of processes, documents, and job aids. Total cost to the program is estimated at \$45,588, which we are requesting in this round of funding.

Pharmacy Consultation – Will provide ongoing support for medication delivery services at the Crisis Stabilization, Residential, and Urgent Care programs. Total cost to the program is estimated at \$11,667, which we are requesting in this round of funding.

Caregiver Salaries – This line reflects salaries for Crisis Stabilization, Residential, and Urgent Care personnel not mentioned above. This includes Nurse Practitioners; direct care teams of nurses, clinicians, and peers; and support services such as environmental care and triage. Total cost to the program is estimated at \$814,205, of which \$519,036 will be provided by other funding sources and \$295,169 is requested in additional funding.

Caregiver Benefits – This line reflects fringe benefits for program caregivers, such as FICA, Worker's Compensation insurance, medical and dental insurance, and 401(k) matching funds. Total cost to the program is estimated at \$314,790, of which \$200,321 will be provided by other funding sources and \$114,469 is requested in additional funding.

Travel Costs	\$30,000.00
Travel Costs (Other Sources)	\$9,162.00
Travel Narrative:	Travel – This line represents costs for program staff to visit similar programs out of state as needed to better

	understand their operations, as well as travel to universities and job fairs to recruit staff for the program. Total cost to the program is estimated at \$58,031, of which \$18,869 has been covered by the AMHTA Phase I grant, \$9,162 will be provided by other funding sources, and \$30,000 is requested in additional funding.
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Space or Facilities Costs	\$0.00
Space or Facilities Costs (Other Sources)	\$14,987,245.00
Space or Facilities Narrative:	Facility costs to be funded primarily by other funding Value of Existing Facility, \$4,968,000 Design and Permitting, \$916,749 (\$26,690 AMHTA phase I and remainder from other funding) Construction, \$7,893,413 Information Systems, \$260,000 Furniture, Fixtures, and Equipment, \$978,592

Supplies Costs	\$48,000.00
Supplies Costs (Other Sources)	\$0.00
Supplies Narrative:	Supplies – This item represents various items consumed by Center guests or during provision of services, such as food, medical supplies, medications, and office supplies. Total cost to the program is estimated at \$48,000, which we are requesting in this round of funding.

Equipment Costs	\$0.00
Equipment Costs (Other Sources)	\$0.00
Equipment Costs Narrative:	Included in Facility cost

Other Costs	\$648,743.00
Other Costs (Other Sources)	\$161,000.00
Other Costs Narrative:	Project Management – Providence has contracted a consultant to assist with program planning and development to ensure timelines and deliverables are understood. Total cost to the program is estimated at \$176,935, of which \$102,235 has been covered by the AMHTA Phase I grant and \$74,700 is requested in additional funding. Consulting & Legal – Providence has contracted with other consultants and attorneys to review licensing statutes and advise on the programs' legal organization and required regulatory filings. Total cost to the program is estimated at \$225,260, of which \$98,260 has been

covered by the AMHTA Phase I grant and \$157,000 is requested in additional funding.

Recruitment & Relocation – In order for this program to be successful Providence will need to recruit qualified personnel in several high-demand roles. To assist with this, Providence anticipates a need to offer recruitment bonuses for newly hired caregivers and to reimburse relocation costs for those recruited from out of state. Total cost to the program is estimated at \$354,000, of which \$111,000 will be provided by other funding sources and \$243,000 is requested in additional funding.

Consultant – Opening Support – Providence intends to contract with an existing provider of Crisis Stabilization & Residential services to be present for the opening of the Anchorage center, to assist with training and ensure quality service provision. Total cost to the program is estimated at \$35,000, which we are requesting in this round of funding.

Training – This item represents costs to train program caregivers, such as the licensing of an existing training package and Train the Trainer seminar attendance for key personnel. Total cost to the program is estimated at \$60,000, of which \$50,000 will be provided by other funding sources, and \$10,000 is requested in additional funding.

Marketing – This item represents outreach and awareness campaigns to inform the public of the Center's opening and its place in the behavioral health continuum. Total cost to the program is estimated at \$20,700, which we are requesting in this round of funding.

Indirect Costs at System Office – This line represents incremental costs to Providence in support services such as Human Resources and Information Services. Total cost to the program is estimated at \$108,343, which we are requesting in this round of funding.

Total Amount to be Funded by the Trust	\$1,554,269.00
Total Amount Funded by Other Sources	\$16,059,764 *includes secured & pending

OTHER FUNDING SOURCES

State of Alaska - SECURED- Designated legislative grant for capital	\$8,000,000.00
Federal Appropriation - SECURED - Capital	\$750,000.00
Municipality of Anchorage - SECURED - recruitment and initial hiring prior to door opening	\$884,762.00
Anchorage Coalition to End Homelessness- HUD SNOFO- PENDING - to expand peer support	\$4,757.00
Providence Health and Services Alaska region- SECURED- facility in-kind contribution	\$4,968,000.00
Providence Health and Services Alaska SECURED	\$183,000.00
To be determined- PENDING	\$1,269,245.00
Total Leveraged Funds	\$16,059,764.00

Providence Alaska
Crisis Stabilization & Urgent Care
Summary Financial Projection, 2023-2027

Financial Summary	2023	2024	2025	2026	2027
Net Operating Revenue (note 1)	\$ -	\$ 6,164,000	\$ 8,876,000	\$ 10,795,000	\$ 10,947,000
Third-Party Grants	832,000	152,000	92,000	31,000	-
Incremental Psych ED Revenue	-	59,000	429,000	603,000	774,000
Total Revenues	832,000	6,375,000	9,397,000	11,429,000	11,721,000
Operating Expenses					
Salaries & Benefits	1,008,000	5,969,000	8,204,000	8,027,000	8,199,000
Other Expenses	871,000	946,000	1,179,000	1,383,000	1,421,000
Direct Expenses	1,879,000	6,915,000	9,383,000	9,410,000	9,620,000
Contribution Margin	(1,047,000)	(540,000)	14,000	2,019,000	2,101,000
Indirect Costs	115,000	581,000	783,000	821,000	836,000
Net Income (Loss)	\$ (1,162,000)	\$ (1,121,000)	\$ (769,000)	\$ 1,198,000	\$ 1,265,000

Direct Care	10.4	23.9	28.1	28.1	28.1
Floor Staff	7.1	29.4	33.6	33.6	33.6
Mgmt & Support	5.7	9.0	9.0	9.0	9.0
Total	23.1	62.3	70.7	70.7	70.7

Metrics	2023	2024	2025	2026	2027
ADC equivalent - 23-Hour	-	4.0	5.8	7.1	7.1
ADC - 24-Hour	-	5.8	8.2	10.2	10.2
Visits/Weekday - Urgent Care	-	11.0	14.4	14.4	14.4

Note 1: 2023 Net Op. Revenue does not include capital grants, nor grants that are anticipated but not yet secured.

Note 2: 2023 costs represent pre-opening costs for program planning plus recruitment and training of caregivers.

Providence Alaska - Crisis Stabilization & Urgent Care
 Projected Expenditures and Funding (totals including funding sources)
 Project Start through Opening in Q1 2024

--- Project Costs ---				--- Funding Sources ---							Subtotal -	Funding to be
Expenditures	Expenditures to Date	Projected	Total	AMHTA Phase I	State Appropriation	Federal Appropriation	MOA ARPA	HUD SNOFO	Providence	Secured Funding		Secured
<i>Planning:</i>												
Project Management	52,435	124,500	176,935	102,235	-	-	-	-	-	102,235		74,700
Consulting & Legal	80,260	175,000	255,260	98,260	-	-	-	-	-	98,260		157,000
Travel	8,869	49,162	58,031	18,869	-	-	9,162	-	-	28,031		30,000
Providence Staff:												
BH Leadership	30,000	153,000	183,000	-	-	-	-	-	183,000	183,000		-
Program Manager	68,627	197,544	266,171	134,627	-	-	-	-	-	134,627		131,544
Medical Director	-	200,000	200,000	16,500	-	-	-	-	-	16,500		183,500
Nursing Supervisor	-	45,588	45,588	-	-	-	-	-	-	-		45,588
Lead Clinician	-	45,588	45,588	-	-	-	-	-	-	-		45,588
Pharmacy Consultation	-	11,667	11,667	-	-	-	-	-	-	-		11,667
<i>Subtotal - Planning:</i>	240,191	1,002,049	1,242,240	370,491	-	-	9,162	-	183,000	562,653		679,587
<i>Operating Costs:</i>												
Caregiver Salaries	-	814,205	814,205	-	-	-	515,353	3,683	-	519,036		295,169
Caregiver Benefits	-	314,790	314,790	-	-	-	199,247	1,074	-	200,321		114,469
Recruitment & Relocation	-	354,000	354,000	-	-	-	111,000	-	-	111,000		243,000
Consultant - Opening Support	-	35,000	35,000	-	-	-	-	-	-	-		35,000
Training	-	60,000	60,000	-	-	-	50,000	-	-	50,000		10,000
Marketing	-	20,700	20,700	-	-	-	-	-	-	-		20,700
Supplies (Food, Med, Rx, Office)	-	48,000	48,000	-	-	-	-	-	-	-		48,000
Indirect Costs at System Office	-	108,343	108,343	-	-	-	-	-	-	-		108,343
<i>Subtotal - Operations:</i>	-	1,598,695	1,598,695	-	-	-	875,600	4,757	-	880,357		718,339
Total Expenditures:	240,191	2,757,088	2,997,279	370,491	-	-	884,762	4,757	183,000	1,443,010		1,554,269

Resource Management Committee Report / Update

To: Anita Halterman, Chair
Through: Steve Williams, Chief Executive Officer
From: Katie Baldwin-Johnson, Chief Operating Officer
Date: **January 11, 2023**
Re: December 6, 2022 – Special Resource Management Committee Report

The Special Resource Management Committee meeting occurred virtually by videoconference on December 6, 2022 and was attended by trustees Anita Halterman (Chair), Brent Fisher, Kevin Fimon, Agnes Moran and Verné Boerner. Trustees John Sturgeon and Rhonda Boyles were excused.

Board Action Required: *On December 6, 2022 the Resource Management Committee approved a recommendation to the full board of trustees to approve the annual rent of 1% of the appraised fair market value for a 30-year ground lease of USS 3695 Lot 3 in Sitka Alaska with the Sitka Homeless Coalition for the Hítx'i Sáani (Little Houses) project." This committee action requires full board of trustees' approval.*

MOTION

The board of trustees approve the Resource Management Committee's recommendation to approve the annual rent of 1% of the appraised fair market value for a 30-year ground lease of USS 3695 Lot 3 in Sitka, Alaska with the Sitka Homeless Coalition for the Hítx'i Sáani (Little Houses) project.

Meeting Summary:

The following item was presented and discussed by the committee.

Hítx'i Sáani (Little Houses) Project

The Resource Management Committee met on December 6, 2022, for a Special Resource Management Committee with the sole purpose of reviewing the proposed Program Related Real Estate, less than fair market value, lease to the Sitka Homeless Coalition for the Hítx'i Sáani (Little Houses) project in Sitka, AK. The Resource Management Committee received an informational presentation on Program Related Real Estate from the Trust Land Office Deputy Director Jeff Green, followed by an informational presentation on the Hítx'i Sáani (Little Houses) project from the Trust Authority Senior Program Officer Eric Boyer, with supporting land use information provided by the Trust Land Office. Under 20 AAC 40.710, the Trust Authority office recommended Little Houses project for use of trust land at less than fair market value.

The Sitka Homeless Coalition (SHC) is planning the construction of a Cabin Community, named Hítx'i Sáani (Little Houses), which will consist of 12 individual units, a caretaker cabin,

and a community building. This housing will provide permanent supportive housing to Trust beneficiaries who are currently chronically homeless in Sitka. The Sitka Homeless Coalition has formalized substantially over the past two years from a grassroots volunteer based 501(c)(3) with an income of less than \$50,000 annually to hiring a full-time executive director, increasing board engagement, growing the number of partner agencies involved in the work, especially the Little Houses project, and raising over a million dollars in one calendar year. This formalization of the SHC was intentional to dedicate adequate resources and structure to operate the Little Houses project.

The SHC provided a request by email to Trust Authority Office staff for a long-term lease below market value under 11 AAC 99.110 and 20 AAC 40.710 to build and operate permanent supportive housing for Trust beneficiaries. This permanent supportive housing project will house homeless Trust beneficiaries and offer optional services through community provider agencies. It is expected that all residents prioritized for housing are Trust beneficiaries, with the largest percentage experiencing mental illness and addiction, Trust Authority Office staff determined sufficient information was provided by the organization as guided by 20 AAC 40.710 and that the project aligns with the Housing & Home and Community Based Services focus area to serve Trust beneficiaries. This project aligns with the Comprehensive Integrated Mental Health Program Plan, Goal 3: Economic and Social Well Being, Objective 3.1: Alaskans have stable, safe housing with appropriate, community-based social supports to maintain tenancy.

The Trust Authority Office made a formal request of the Trust Land Office (TLO) to determine whether the Trust land USS 3695 Lot 3 in Sitka Alaska (Parcel CRM-1852) is suitable for the use proposed by the SHC and the estimated fair market value of that use. The TLO determined that the parcel is suitable for the proposed use and provided fair market value of the parcel to be \$390,000 with the estimated fair market lease rental to be a maximum of \$31,200 annually. Prior to the inquiry by the SHC, no other offers had been made for the use, lease, or purchase of this parcel. Copies of the letters were included in the Resource Management Committee meeting packet materials.

At its conclusion, the Resource Management Committee made a recommendation to the full board through motion “The Resource Management Committee recommends the Full Board approve the annual rent of 1% of the appraised fair market value for a 30-year ground lease of USS 3695 Lot 3 in Sitka Alaska with the Sitka Homeless Coalition for the Hítx’i Sáani (Little Houses) project.”

To: Anita Halterman, Chair
Through: Steve Williams, Chief Executive Officer
From: Katie Baldwin-Johnson, Chief Operating Officer
Date: **January 17, 2023**
Re: Supplementary Information, Sitka Homeless Coalition Hítx'i Sáani (Little Houses)

This memo supplements the information related to the Sitka Homeless Coalition Hítx'i Sáani (Little Houses) project that was considered by the Trust Resource Management Committee on December 6, 2022.

Per 20 AAC 40.710, there are six areas Trustees must consider when deciding whether to approve the use of Trust lands for less than fair market value.

The areas are listed below, with staff comments.

(1) whether and to what extent that use is consistent with the authority's plan for a comprehensive program;

Staff comments: This project aligns with the Comprehensive Integrated Mental Health Program Plan, Goal 3: Economic and Social Well Being, Objective 3.1: Alaskans have stable, safe housing with appropriate, community-based social supports to maintain tenancy. See staff analysis section of the project memo (attached) for additional information.

(2) the applicant's ability to implement and carry out the purposes for which the land is to be used;

Staff comments: The Sitka Homeless Coalition (SHC) has formalized substantially over the past two years from a grassroots volunteer based 501(c)(3) with an income of less than \$50,000 annually to hiring a full-time executive director, increasing board engagement, growing the number of partner agencies involved in the work to 15 (especially the Little Houses project), and raising over a million dollars in one calendar year. This formalization of the SHC was intentional to dedicate adequate resources and structure to operate the Little Houses project. The SHC has the ability to implement and carry out the Hítx'i Sáani (Little Houses) project.

(3) the extent of any economic or other benefit to beneficiaries as a result of the proposed use of the land;

Staff comments: A long-term lease below market value will facilitate the Sitka Homeless Coalition to build and operate permanent supportive housing for Trust beneficiaries. This permanent supportive housing project will house homeless Trust beneficiaries who have not been able to find any other housing in Sitka. The project will offer optional services through community provider agencies. It is expected that all residents prioritized for housing are Trust beneficiaries, with the largest percentage

experiencing mental illness and addiction. See project description section of the project memo (attached) for additional information.

(4) the extent of any likely economic impact to the Trust as a result of approving use of the land at less than fair market value;

Staff comment: Prior to the inquiry by the SHC, no other offers had been made for the use, lease, or purchase of this parcel. See parcel description of the project memo (attached) for additional information.

(5) comments received from the public regarding the proposed use; and

Staff comments: Public notice under 11 AAC 99.050 and 20 AAC 40.710 was posted from 12/13/22 to 1/14/23 in the Sitka Sentinel newspaper, and on the State's Online Public Notice system. The notice was also shared via email with the City and Borough of Sitka, and Sealaska Corporation. Two public comments were received, which are summarized below.

Comment 1: This comment was in support of the project, believing it will be positive for the community.

Response: The Trust agrees.

Comment 2: This comment supports the project in building "a homeless facility" but is concerned with the size. The commenter believes that two acres should be suitable for the project and that the remaining land be sold as affordable properties for others in Sitka.

Response: In June of 2021, the TLO had the parcel appraised "as is" and "where is" by Ramsey Appraisal Resource. In his report, the appraiser described the property as "an approximate 16-acre parcel that has the Indian River running through it and much of its area is encumbered by flood plain, wetlands and drainages from side streams. The usable area is thought to be an approximate acre, located off the end of Jarvis Street." The land intended for use is within the proposed limits suggested by the commenter for the project.

(6) the nature and extent of any administrative burden on the authority or the trust land office to oversee the land or activities on the land.

Staff comments: There is no additional administrative burden for the Trust Authority Office to complete this project. The nature of the administrative burden on the Trust Land Office is to oversee the ground lease on the parcel of land to the extent of ensuring the lease agreement stipulations are upheld on an annual basis.

Alaska Mental Health Trust Authority
Notice under 11 AAC 99.050 and 20 AAC 40.710
Recommendation to Lease Trust Land at Less than Fair Market Value to the Sitka Homeless
Coalition
MHT 9101102

Notice is hereby given that, pursuant to the provisions of AS 38.05.801, 11 AAC 99 and 20 AAC 40.710, the Alaska Mental Health Trust Resource Management Committee recommends that the Trust Authority Board of Trustees approve a 30-year lease with the Sitka Homeless Coalition for the property located at the north End of Jarvis Street in Sitka, Alaska. The starting rent shall be \$3,900 per year. This beneficiary-related use of Trust lands is proposed at rents that are below fair market value; the amount between the established rent and fair market rent of \$31,200 is \$27,300 in year one. Over the 30-year lease it is estimated that the uncompensated use of Trust land will be a minimum of \$819,000.

The basis for this recommendation is explained in a memo dated December 6, 2022 to the resource management committee of the Alaska Mental Health Trust Authority, approval of which has been recommended by the committee for approval by the full board.

The parcel involved in the proposed use is CRM-1852 and is legally described as: Township 055 South, Range 064 East, Copper River Meridian, Alaska, Section 31: Lot 3 of US Survey 3695. The parcel contains 16.300 acres, more or less, according to the survey plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington, D.C on June 2, 1960. The parcel is commonly referred to as the "Jarvis Street Parcel."

Persons who believe that the recommendation is not in the best interests of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles, must provide written comments on or before **4:30 PM, January 14, 2023**. **Comments should be submitted to the Alaska Mental Health Trust Authority at 3745 Community Park Loop, Suite 200, Anchorage, AK 99508, or email valette.keller@alaska.gov.** Following the comment deadline, the Trust Authority board will consider timely comments regarding this recommendation on the basis of the best interest of the Alaska Mental Health Trust and its beneficiaries. Commenting parties will be provided a copy of the final decision by the board.

Copies of the memo and recommendation, including minutes of the meeting, by the resource management committee are available on the Trust website and at the Trust office. If you have any questions concerning this action, please contact the Trust at (907) 269-6039.

In compliance with the Americans with Disabilities Act, the Trust is prepared to accommodate individuals with disabilities. Please contact the Trust at (907) 269-7960 for assistance. Requests for assistance must be received at least 96 hours prior to the comment deadline in order to ensure that any necessary accommodations can be provided.

The Trust reserves the right to waive technical defects in this notice or to amend, postpone, or vacate the decision.

MEMO

To: John Sturgeon, Resource Management Committee Chair
Date: 12/6/22
Re: Request for Use of Trust Land at less than Fair Market Value
Fiscal Year: FY23
Organization: Sitka Homeless Coalition
Project Title: Hítx'i Sáani (Little Houses)

REQUESTED MOTION:

The Resource Management Committee recommends the Full Board approve the annual rent of 1% of the appraised fair market value for a 30 year ground lease of USS 3695 Lot 3 in Sitka Alaska with the Sitka Homeless Coalition for the Hítx'i Sáani (Little Houses) project.

Assigned Program Officer: Kelda Barstad

STAFF ANALYSIS

The Sitka Homeless Coalition (SHC) is planning the construction of a Cabin Community, named Hítx'i Sáani (Little Houses), which will consist of 12 individual units, a caretaker cabin, and a community building. This housing will provide permanent supportive housing to Trust beneficiaries who are currently chronically homeless in Sitka. The Sitka Homeless Coalition has formalized substantially over the past two years from a grassroots volunteer based 501(c)(3) with an income of less than \$50,000 annually to hiring a full-time executive director, increasing board engagement, growing the number of partner agencies involved in the work, especially the Little Houses project, and raising over a million dollars in one calendar year. This formalization of the SHC was intentional to dedicate adequate resources and structure to operate the Little Houses project.

The SHC provided a request by email to Trust Authority Office staff for a long-term lease below market value under 11 AAC 99.110 and 20 AAC 40.710 to build and operate permanent supportive housing for Trust beneficiaries. This permanent supportive housing project will house homeless Trust beneficiaries and offer optional services through community provider agencies. It is expected that all residents prioritized for housing are Trust beneficiaries, with the largest percentage experiencing mental illness and addiction, Trust Authority Office staff determined sufficient information was provided by the organization as guided by 20 AAC 40.710 and that the project aligns with the Housing & Home and Community Based Services focus area to serve Trust beneficiaries. This project aligns with the Comprehensive Integrated Mental Health Program Plan, Goal 3: Economic and Social Well Being, Objective 3.1: Alaskans have stable, safe housing with appropriate, community-based social supports to maintain tenancy.

The Trust Authority Office made a formal request (attached) from the Trust Land Office (TLO) to determine whether the Trust land USS 3695 Lot 3 in Sitka Alaska (Parcel CRM-1852) is suitable for the use proposed by the SHC and the estimated fair market value of that use. The TLO determined (attached) that the parcel is suitable for the proposed use and provided fair market value of the parcel to be \$390,000 with the estimated fair market lease rental to be a maximum of \$31,200 annually. Prior to the inquiry by the SHC, no other offers had been made for the use, lease, or purchase of this parcel.

The Little Houses project is recommended for use of trust land at less than fair market value under 20 AAC 40.710.

COMP PLAN IDENTIFICATION

Goal	Objective	Comments
Goal 3 Economic and Social Well-being	3.1 Housing	

PROJECT DESCRIPTION

The Sitka Homeless Coalition (SHC) is planning the construction of a cabin community, named Hítx'i Sáani (Little Houses), which will consist of twelve individual units, one caretaker cabin, and a community building. This housing will provide permanent supportive housing to Trust beneficiaries who are currently homeless in Sitka. Permanent supportive housing provides affordable long-term housing and optional services to people who are chronically homeless.

The cabin community will consist of basic, warm, dry, approximately 14x12 cabins each with a bathroom and a small kitchenette. They will be built with concrete foundations and 2x6 construction. There will be electric heat, hot water, and a built-in bed space. There will also be a separate community building that can serve as an overflow area for additional beds, if needed. The community building will include a tenant laundry, small commercial kitchen space for supported meals, office and meeting space for wellness programs, counseling, life skills training and social time. The neighborhood will feature a community garden for nutrition, food security, and recreation. The neighborhood has identified space for bike racks and a sheltered area for pick up and drop off for door-to-door transportation. The Little Houses project is also within walking distance to a bus stop.

An on-site property manager will be employed and housed on site. This will help with the day-to-day supervision of the Little Houses community and serve as a communication point of contact in case of an emergency or disturbance. The SHC executive director and supportive services agencies will have office or meeting space available on site so beneficiaries will have ease of use for services. There is a goal to form a resident governance council to make recommendations and give feedback on operating and residence policies.

SHC is partnering with other organizations in the region to create supportive programs. Based on resident interest, the SHC plans to coordinate access for residents to community based services and programs such as: mental health, physical health and dental services as well as life skills, employment search supports, paperwork and program enrollment supports, nutrition and food security lessons, social mentoring, transportation to services for medical and dental screening, and transportation to mental health clinical services.

The Little Houses project has received formal letters of support from the Southeast Alaska Regional Health Corporation, the Salvation Army of Sitka, the Sitka Tribe of Alaska, Sitka Counseling, the DPH Sitka Public Health Office, University of Alaska Southeast Sitka Campus, Sitka Outreach and Support: Lifeline Group, Sitkans Against Family Violence, and the Sitka Health Coalition. Additional partners include: Outer Coast College, the Professional Development Company, Spruce Root Inc, Sitka Rotary Club, and the HOPE Coalition.

The SHC established a Construction Timeline in mid-2022. In 2022, the SHC has been working toward the completion of: blueprints, engineer stamps, structural, electrical, plumbing, and mechanical plans ground test holes, and an initial specification of materials. The SHC has been in regular correspondence with the city, and is making necessary adjustments in design to comply with permitting requirements.

Items identified to be completed in 2022 but are likely to be delayed to early 2023: Land Agreement to be completed with the Trust Land Office, continue to clear brush and logs with Trust Land Office authorization, and groundwork 10% complete with TLO authorization.

The SHC, working with planners, MRV Architects of Juneau, Olbych Construction, Forge Engineering, Pacific Services, and Pacific Power Consulting, developed this construction timeline for 2023. This may need to be adjusted based on what 2022 tasks shift to early 2023. Every effort will be made to house Trust beneficiaries next October upon completion of the cabins.

Proposed 2023 Calendar

January: Spec out in-ground components to be ready to purchase.

February: Mobilize machinery, get all parties lined up to begin.

March: Construction funding issued. Begin excavation if weather allows.

April: Excavation, in-ground infrastructure, city inspection, surveys, ordering materials, voltage supply, materials begin to arrive.

May-June: Survey, concrete, as built, city authorizations as needed.

July-August-September: Build 13 cabins, all subs, city inspection.

October: Begin Community Room framing & construction.

PARCEL DESCRIPTION

The parcel involved in the proposed use is CRM-I852 and is legally described as: Township 055 South, Range. 064 East, Copper River Meridian, Alaska Section 31: Lot 3 of US Survey 3695; Containing 16.300 acres, more or less. According to the survey plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington, D.C on June 2, 1960. The parcel is commonly referred to as the "Jarvis Street Parcel".

The parcel is located at, and legally accessed from, the north end of Jarvis St. in Sitka, AK and is bisected by the Indian River. It is currently zoned C-1, General Commercial, by the City & Borough of Sitka, which allows for the provision of all commercial services, including personal services. In June of 2022, the TLO met with the City & Borough of Sitka Planning and Community Development Department, who are aware of and have been supportive of the proposed SHC project. In February of 2021, the TLO and its contracted surveyor inspected the parcel and evaluated its potential use for the proposed SHC project. The inspection reports provided to the TLO from the surveyor stated, "The homeless housing concept is very doable and would be a great asset to the City of Sitka. The area available for the housing project can be adjusted to fit the terrain".

In June of 2021, the TLO had the parcel appraised "as is" and "where is" by Ramsey Appraisal Resource. In his report, the appraiser described the property as "an approximate 16-acre parcel that has the Indian River running through it and much of its area is encumbered by flood plain, wetlands and drainages from side streams. The usable area is thought to be an approximate acre, located off the end of Jarvis Street." The appraisal used a sales comparison approach of similar properties within the region that recently sold and determined the fair market value of the parcel to be \$390,000.00. A ground lease for this type of parcel in this market area would likely be in the 6-8% range of the appraised fair market value for the annual rental, making the estimated fair market lease rental \$23,400 - \$31,200/annually.

BACKGROUND

In early 2019, Sitka Homeless Coalition contacted the Trust to fund a winter overnight shelter. The community had a successful program providing access to laundry, shower, and food to the small community of unsheltered chronically homeless adults in Sitka. At that time, the coalition was unable to find a space to lease for the shelter so the project could not move forward, and additional solutions were then considered. Toward the end of 2019, the director of the Sitka Homeless Coalition placed an inquiry as to using Trust land for a more lasting solution to homelessness for chronically homeless individuals, who are all Trust beneficiaries.

Shortly thereafter, the coalition submitted a land use request with a vision of housing adults in tiny houses on the land with a community building and an onsite live in manager of the property. There is very little available land to build on in Sitka and the grassroots organization would need the use of Trust land to implement the project. The SHC submitted a land use request to the

Trust Land Office and the Trust Authority Office used the Technical Assistance Contract to assist the SHC. Through the technical assistance contract, the coalition developed a concept drawing, initial project description, and budget and began raising awareness of a solution to build a permanent home for the beneficiaries.

In September 2021, Sitka held a public health summit and one of the goals selected was to end single adult homelessness in Sitka. Additional community members invigorated the work of the coalition and rallied around refining and funding what has now evolved into the Little Houses Project. Though the original vision of the project remains largely intact, one of the big changes is that the cabins will be built with the specifications to allow for use of a housing voucher to support ongoing sustainability of the project. An operations plan has been developed. Fundraising goals for construction have been met. It has been an incredible year for the project and the SHC is ready to provide housing for the unsheltered chronically homeless beneficiaries in Sitka.

EVALUATION CRITERIA

Construction Goal: The primary measure of success will be to build twelve occupancy ready cabins in 2023.

Program Evaluation: The Sitka Homeless Coalition policy committee will create intakes and check in forms to be completed with the tenants. These forms will gather the necessary data for the Homeless Management Information System (HMIS) reports as well as gather information on needs of the residents and the impacts of permanent housing for the residents. Questions will include but are not limited to information about substance misuse, outpatient appointments, behavioral health appointments, tribal wellness, nutrition, and community involvement. The program will gather quantitative information about number of people served, housing stability, the number and types of services residents are engaged in, and satisfaction with the housing and services. Additional evaluation opportunities to demonstrate community or system impacts will be considered with the assistance of Trust staff and community partners.

SUSTAINABILITY

The project will apply for project based or tenant based vouchers from AHFC as a part of the overall funding mix. Vouchers will require tenants to pay rent based on a percentage of their income. The SHC will continue fundraising and seek grants to cover any funding gaps in operations. SHC has identified several grant opportunities forecasted for 2023 and 2024 and will continue fundraising as a part of the overall funding plan.

WHO WE SERVE

The project will serve Alaska Mental Health Trust beneficiaries. All of the initial twelve adults on the waiting list for this housing project are Trust beneficiaries. Future vacancies will be filled by resident Sitkans experiencing chronic homelessness. The summary definition of chronic homelessness is a person who has been homeless for a year or more and experiencing one or more disabilities or chronic conditions such as a mental illness or addiction.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	12
Developmental Disabilities:	3
Substance Abuse	12
Traumatic Brain Injuries:	2
Secondary Beneficiaries (family members or caregivers providing support to primary beneficiaries):	0
Number of people to be trained	20

CONSTRUCTION BUDGET

Other Costs	\$0
Other Costs (Other Sources)	\$1,795,600
Other Costs Narrative:	Construction of 12 units, community room, and basic landscaping. Clearing, grading, rock fill, utilities infrastructure. \$300,000 12 cabins (204 sq ft. \$288 per sq foot) \$58,800 per unit: \$705,600 1 caretaker cabin (300 sq ft. x \$300 per sq foot): \$90,000 Community room cabin (1200 sq ft x \$300 sq ft) with small commercial kitchen and office space: \$420,000 Landscaping, fencing, bike rack and carport, and Community Garden: \$280,000

Total Amount to be Funded by the Trust	\$0
Total Amount Funded by Other Sources	\$1,175,600.00

Other Funding Sources

2021 Sitka Legacy Grant - Received	\$4,000.00
City of Sitka - Received	\$15,500.00
ARPA Received	\$50,000.00
CDS Grant - Confirmed, Spring of 2023 Distribution	\$1,000,000.00
2022 Sitka Legacy Grant Applied	\$5,000.00
Total Grant:	\$1,074,500.00
First Bank - Received	\$7,000.00
Jeanie Jay and the ukulele - Received	\$5,029.00
Sitka Tribe of Alaska Social - Received	\$2,500.00
Seventh Day Adventists - Received	\$1,835.00

Robert Baird & Co Incorporated - Received	\$1,500.00
Sitka Salmon Shares - Received	\$1,000.00
Hames Corporation - Received	\$1,000.00
Sitka Counseling - Received	\$1,500.00
Sitka Moose Lodge - Received	\$1,000.00
Sitka Health Summit - Received	\$2,000.00
Sitka Tribe of Alaska Social Services - Received	\$12,000.00
Rotary – Received	\$12,000.00
First Bank - Received	\$12,000.00
Kathy Inglinara (in honor of her late husband) - Received	\$12,000.00
Dr. Carmen Sugai - Received	\$12,000.00
White Elephant – Pledged, Distributed at start of construction	\$12,000.00
Sitka Homeless Coalition Fundraisers – Received	\$4,736.00
Private Donations and Fundraisers Total:	\$101,006
Grants + Private Donations and Fundraisers Total:	\$1,175,600.00
Note: Over 200 private cash and in-kind donations were received in the past year to complete pre-development activities.	

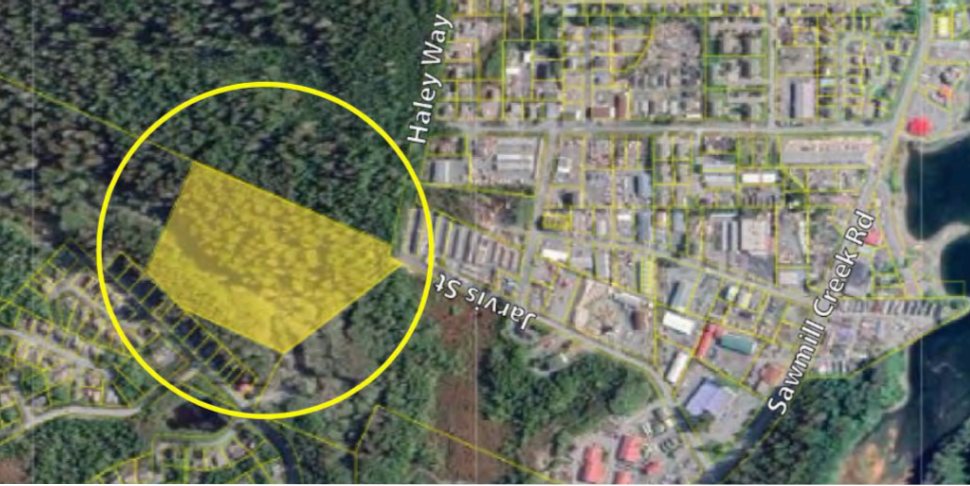
OPERATING BUDGET

Personnel Services Costs	\$0
Personnel Services Costs (Other Sources)	\$125,300.00
Personnel Services Narrative:	Executive director salary, live-in on-site property manager, case management part time, community room support staff part time.
Supplies Costs	\$0
Supplies Costs (Other Sources)	\$24,000.00
Supplies Narrative:	Office computer and printer, community room supplies, cabin supplies,
Other Costs	\$0 - Trust lease rate reduced from \$36,000 to \$3,900 per year. \$28,200 value of in-kind donation annually.
Other Costs (Other Sources)	\$151,900.00
Other Costs Narrative:	Ground Lease: \$3,900 Maintenance \$20,000 Utilities \$46,000 Support Services \$72,000 Taxes, fees, and other miscellaneous costs \$10,000
Total Operating:	\$301,200

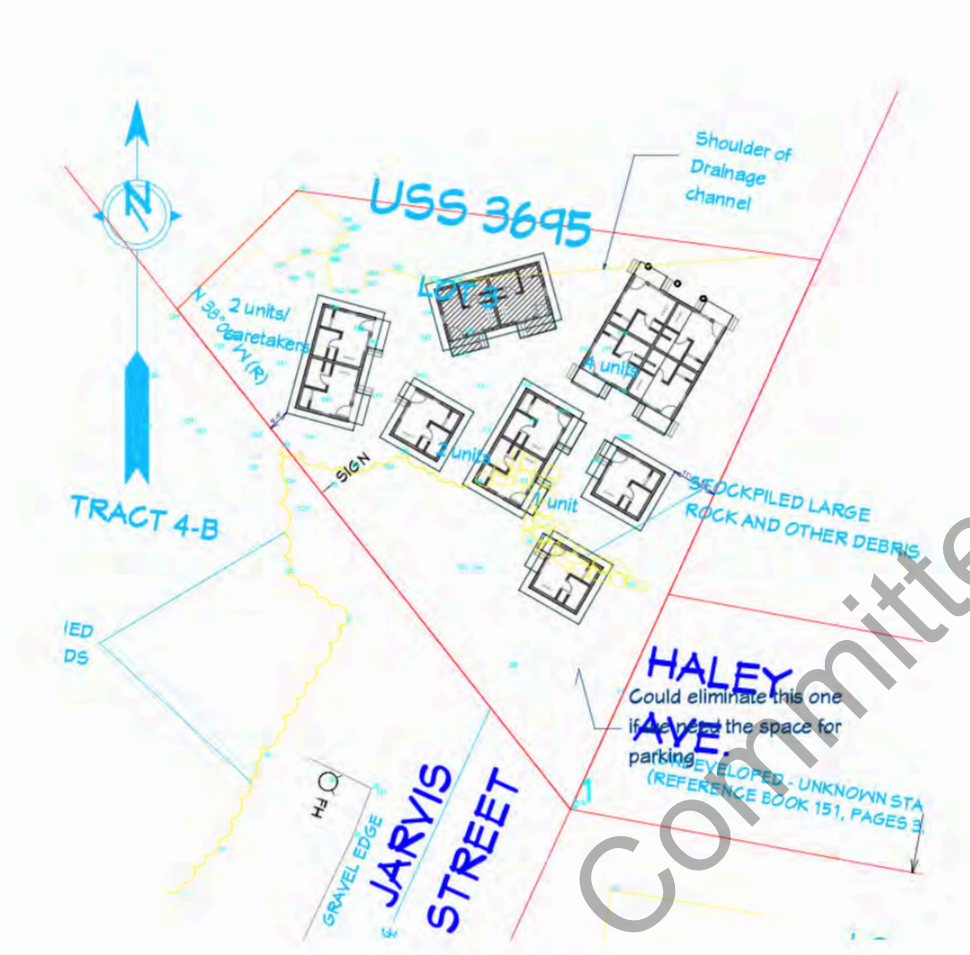
Total Amount to be Funded by the Trust	Below market ground lease at a rate of 1% (\$3,900) of the appraised fair market value, equaling an annual in-kind annual donation of a minimum of \$28,200 per year for 30 years. Over the 30-year lease, the uncompensated amount is a minimum of \$846,000.00.
Total Amount Funded by Other Sources	\$301,200

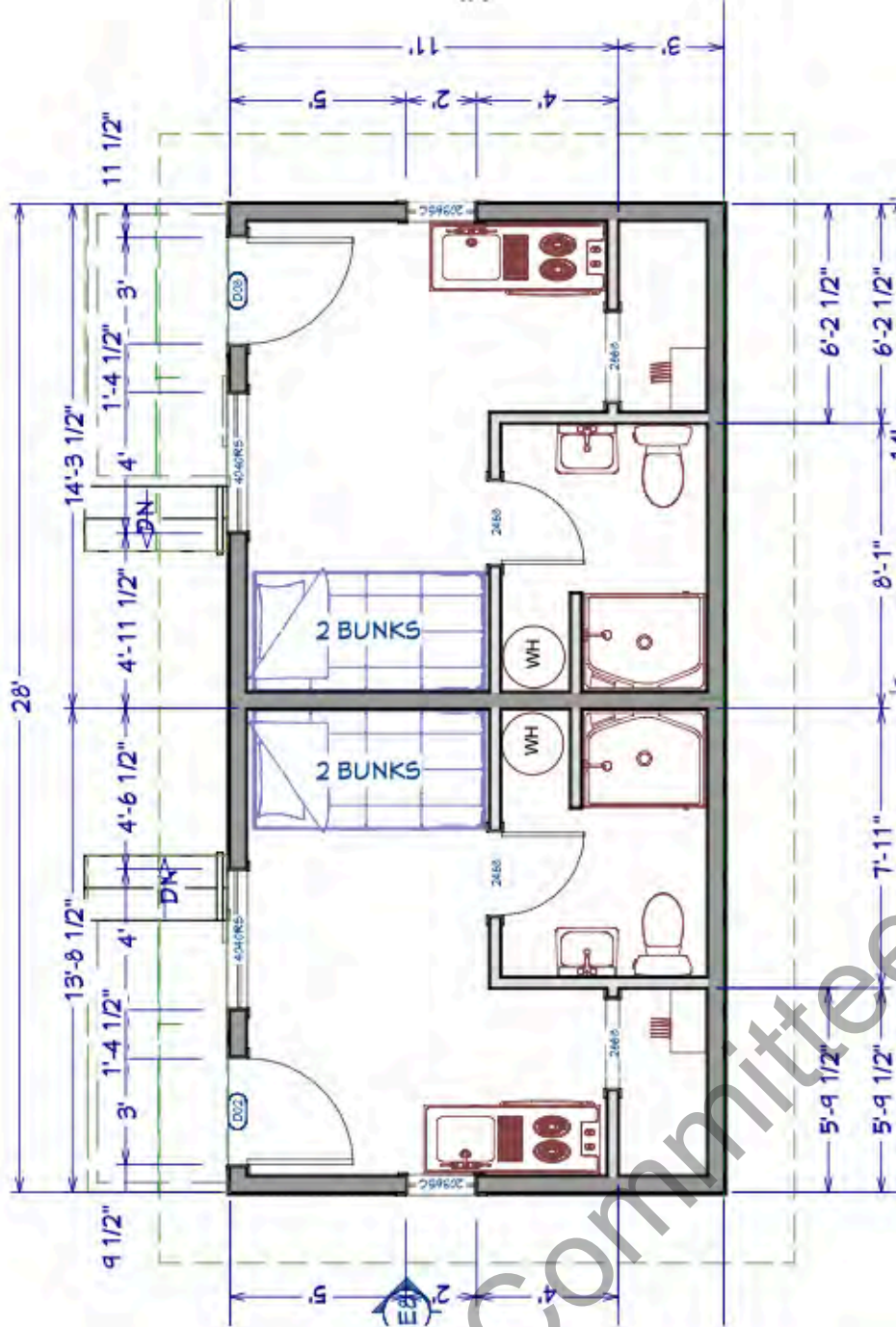
Other Funding Sources

AHFC Housing Vouchers \$800 per cabin per month x 12 cabins (includes 3% vacancy and tenant rent)	\$111,744.00
Forecasted Grants – HUD, AHFC and other State of Alaska sources, Balance of State - Continuum of Care, Alaska Community Foundation, Sitka Legacy Foundation, City and Borough of Sitka, private philanthropy	\$164,456.00
Local Donations and Fundraising - Forecasted	\$25,000.00

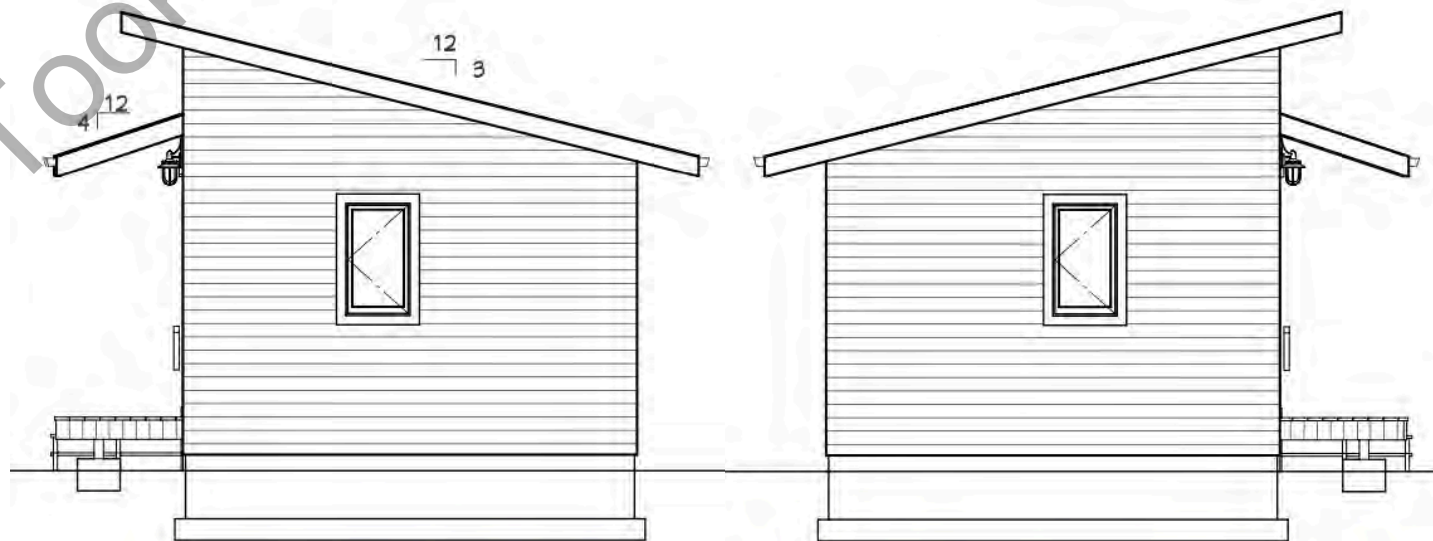


Jarvis Street Neighborhood Project





Exterior Elevation Front 1/4 in = 1 ft



Exterior Elevation Right

Exterior Elevation Left 1/4 in = 1 ft

From: [Lenise Henderson](#)
To: [Barstad, Kelda O \(DOR\)](#)
Subject: Sitka Homeless Coalition request
Date: Tuesday, March 15, 2022 2:18:36 PM
Attachments: [SHC MHT info as requested.docx](#)

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Greetings Ms. Barstad:

Attached is the request for approval to use trust land at less than fair market value.

Best Regards,

Lenise A. Henderson
For: Sitka Homeless Coalition
The Professional Development Company
lenisepdc@gmail.com

To: Alaska Mental Health Trust Authority
From: The Sitka Homeless Coalition

Request:

The Sitka Homeless Coalition (SHC) requests the approval to use trust land at less than fair market value.

Contact information:

Sitka Homeless Coalition
PO Box 1112
Sitka, AK. 99835
Phone:
907-747-7978
sithc@gmail.com

SHC President of the Board of Directors Contact:
Gayle Young
gayle.young@yahoo.com

Property Description:

USS 3695 Lot 3
Sitka, AK.

Description of Building Site:

- The building site proposal is the most southern tip of USS 3695.
- Approximately 11,250 square feet.
- The property begins in what is now being used as Jarvis Street.
- From the Jarvis point, out in two directions, northwest, and northeast, each 150 feet.
- The back of the site spans 150 feet.
- The building site is triangular.



The Period for Use and Lease of the Trust Land is:

An initial lease period of twenty-five (25) years is sought.
The requested annual lease fee is (\$50 - \$100).

The Sitka Homeless Coalition [Alaska incorporated, certified as non-profit in May 2018 with EIN 83-0674617], acting on behalf of up to fourteen chronically homeless male Sitkans, is requesting the Alaska Mental Health Trust Authority to issue an intermediate-term lease to SHC for the purpose of providing housing and supportive programming to said unsheltered men.

Summary of SHC Cabin Community Project Objectives:

- The purpose for which the property USS 3695 Lot 3 is sought to be used aligns with Goal 3, Objective 1 of the Comprehensive Integrated Mental Health Program Plan: “Alaskans have stable, safe housing with appropriate, community-based social supports to maintain tenancy”
- To work towards ending homelessness in Sitka by building a cabin community to meet basic housing needs of chronically homeless individuals.
- To create support programs to help tenants learn and maintain basic care skills and provide mental health programs to improve quality of life.
- The Cabin Community will embrace the Housing First approach to accomplish these goals.

Details of the Cabin Community Mental Health Programs

From the SHC Board President Gayle Young:

The Sitka Homeless Coalition seeks the authority to use this property to both provide care for Sitka's unhoused population and to focus and direct the gathered attention of the Sitka community towards these brothers who live among us.

The purpose for use of this land parcel is to prepare the site and construct up to fourteen 14'X14' cabins, a live-in manager's quarters, and community space for small and large group use. It will include utility block housing toilets, showers, and laundry facilities for the use of the chronically unsheltered men.

Develop a neighborhood:

The grounds will house a Tlingit-carved house post to signal "home" for the residents, provide privacy from the public street and to engender cultural pride, as 83% of Sitka's homeless are Tribal citizens. The neighborhood will further feature a covered fire pit area, covered bike rack and a neighborhood/community garden.

The cabin community will offer programs to coach life skills, on-site services of medical/dental screening by agreement with SEARHC Hospital, and on-site mental health clinical services by contract.

Programs will be founded in conjunction with Outer Coast, an alternative college in Sitka. Guiding principles will include education and self-governance. The backbone of the program will involve hands-on mentorships between the residents of the cabin community and Sitka residents.

Each program will be a pillar that will uphold Goal 3, Objective 1 of the Comprehensive Integrated Mental Health Program Plan: Alaskans have stable safe housing with appropriate, community-based social supports to maintain tenancy.

**Board President's Statement to the Alaska Mental Health Trust Authority
for the Sitka Homeless Coalition:**

Dear Alaska Mental Health Authority Trustees:

What we propose to do is to basically look out for, mentor these men for what may be the remainder of their lives: making sure they are dry and warm, that they are eating and sleeping well, that they get health care and dental care.

Because it is an important step, we also desire the Trust to understand that we will encourage the men forward in developmental ways that may have been missing most of their lives. We will advance their individual interest, encourage a work schedule, and job site tailored to their situation, which the Homeless Coalition will help identify and advocate for them.

We needed, we will assume the task of functioning as their memories which simply do not work any longer or may have never worked for them.

We will help monitor their medications, make sure that favorite meals are prepared regularly at group dinners and assist them with all paperwork including applications needed to "move up" to low-cost housing, if that is their desire once some income has been stabilized.

We will take the place of families; for some it may be the first time they have had life skills support as their birth family may not have been able to provide this support.

In every way the Sitka Homeless Coalition stands with the Alaska Mental Health Trust Authority as a partner on the ground, not to be confused with functioning simply as a leaseholder with financial interests.

Thank you for your time and support,
Gayle Young
SHC Board President

Jusdi Warner
Executive Director, Trust Land Office
Department of Natural Resources
jusdi.warner@alaska.gov

November 7, 2022

Trust Authority Office staff requests the Trust Land Office determine whether the Trust land USS 3695 Lot 3 in Sitka Alaska is suitable for the use proposed by the Sitka Homeless Coalition ("SHC") and the estimated fair market value of that use. The organization has provided a request by email to Trust Authority Office staff for a long term lease below market value under 11 AAC 99.110 and 20 AAC 40.710 to build and operate permanent supportive housing for Trust beneficiaries.

The request is attached and summarized below.

1. A request by email was received for use of trust land at less than fair market value from the Sitka Homeless Coalition, an organization acting on behalf of a group of beneficiaries in Sitka.
2. The request included the organization's contact information.
3. The request included a sufficient property description to identify the location and area to be used.
4. The organization asks to pay less than fair market value for a long term lease to build and operate permanent supportive housing for Trust beneficiaries. This project aligns with the Trust Authority Office's Focus Area Housing and Home and Community Based Services. This project also aligns with Alaska's Comprehensive Mental Health Program Plan 2020-2024. This project will help implement Goal 3.1 which has the objective: Alaskans have stable, safe housing with appropriate, community-based social supports to maintain tenancy.
5. The request asks for a 25 year lease.
6. The request asks for a nominal annual lease fee of \$50.00 - \$100.00.

Trust Authority Office staff have been working with the SHC since 2019 to identify shelter and housing solutions for the chronically homeless single adults in Sitka. 100% of the people served are Trust beneficiaries. All of the men to be housed through the proposed Little Houses project experience a mental illness and co-occurring addiction with a smaller percentage of the group having a third condition of either a traumatic brain injury or an intellectual or development disability.

With the information above, Trust Authority Office staff have determined sufficient information has been provided by the organization as guided by 20 AAC 40.710. Please advise whether the land is suitable for the use proposed by SHC and what the TLO has determined to be the estimated fair market rental value of the use as required by 20 ACC 40.710 (c Please contact me with any additional questions.

Sincerely,



Kelda Barstad, LMSW
Program Officer, Housing & Home and Community Based Services

Cc: Steve Williams, CEO TAO
Jeff Green, Deputy Director, TLO
Katie Baldwin-Johnson, COO TAO
Eric Boyer, SPO TAO

Kelda Barstad, LMSW
Program Officer, Housing & Home and Community Based Services
Alaska Mental Health Trust Authority
kelda.barstad@alaska.gov



Trust
Land Office

2600 Cordova Street, Suite 201
Anchorage, AK 99503
Tel 907.269.8658

alaskamentalhealthtrust.org/trust-land-office/

November 21, 2022

The Trust Land Office (TLO) has reviewed the request from the Alaska Mental Health Trust Authority Staff, received on November 7, 2022, to determine the suitability of the proposed use of Trust land, estimated fair market value of the parcel, and use requested by Sitka Homeless Coalition (SHC).

The parcel involved in the proposed use is CRM-1852 and is legally described as:


Township 055 South, Range. 064 East, Copper River Meridian, Alaska
Section 31: Lot 3 of US Survey 3695; Containing 16.300 acres, more or less. According to the survey plat accepted by the United States Department of the Interior, Bureau of Land Management in Washington, D.C on June 2, 1960.

The parcel is located at, and legally accessed from, the north end of Jarvis St. in Sitka, AK and is bisected by the Indian River. It is currently zoned C-1, General Commercial, by the City & Borough of Sitka, which allows for the provision of all commercial services, including personal services. In June of 2022, the TLO met with the City & Borough of Sitka Planning and Community Development Department, who are aware of and have been supportive of the proposed SHC project. In February of 2021, the TLO and its contracted surveyor inspected the parcel and evaluated its potential use for the proposed SHC project. The inspection report provided to the TLO from the surveyor stated, "The homeless housing concept is very doable and would be a great asset to the City of Sitka. The area available for the housing project can be adjusted to fit the terrain".

Therefore, it is the TLO's conclusion that the parcel is suitable for the proposed use by the SHC.

In June of 2021, the TLO had the parcel appraised "as is" and "where is" by Ramsey Appraisal Resource. The appraisal used a sales comparison approach of similar properties within the region that recently sold and determined the fair market value of the parcel to be \$390,000.00. A ground lease for this type of parcel in this market area would likely be in the 6-8% range of the appraised fair market value for the annual rental, making the estimated fair market lease rental \$23,400 - \$31,200/annually. Please contact the TLO with any additional questions.

Sincerely,


Jusdi Warner
Executive Director
Trust Land Office



Sitka Homeless Coalition

Hítx'i Sáani (Little Houses) Project

Operating Plan *(Excerpts)*

09.25.2022

—

PO Box 1112
Sitka, AK. 99835
Phone:
907-747-7978

Table of

The Professional Development
Company



SHC Mission

The Sitka Homeless Coalition provides warm, safe shelter to those in need.

SHC Main Objectives

1. To work towards ending homelessness in Sitka by building a cabin community to meet basic housing needs of over a dozen chronically homeless individuals.
2. To create support programs to help tenants learn and maintain basic life skills.

Executive Summary

The Sitka Homeless Coalition has provided support for the chronically unhoused in Sitka for many years. The organization's vision has evolved in order to move forward with a trailblazing housing project that will include small affordable cabins built into a cohesive community. To achieve this the board has been expanded, the volunteer base multiplied, a design team and general contractor hired, administrative supports added, and an executive director hired. Construction and support programs fundraising is in progress. SHC is working closely with the Alaska Mental Health Trust to obtain land, as well as other important collaborative partners. The overall goal is to end homelessness in Sitka. It is a substantial undertaking. The construction goal is to begin building in early spring 2023.

SHC Keys to Success

- Maintain a strong Board of Directors that can offer guidance, help with fundraising efforts, and oversee the smooth operation of the organization.
- Develop ongoing relationships and work with strong partners in the housing and social programs sector, actively looking for collaboration and funding opportunities.
- Design and implement strong operational management and accurate financial controls.
- Create the structure and staff to continue to write grants and raise funds to cover not only initial construction, but also ongoing operations, and community maintenance.
- Adopt a detailed operational and management plan for the cabin community.
- Recruit and maintain a diverse volunteer base.
- Reevaluate organization goals and operational plans on an annual basis.

Organization Summary

The Sitka Homeless Coalition (SHC) was founded in September 2017 by a local group of volunteers who desired to establish a shelter for unhoused people in Sitka. After several attempts to lease a shelter space were unsuccessful, the cabin community idea was launched.

For the past several years, SHC has provided daily support and advocacy to adults experiencing homelessness. Support services include laundry, showers, cell phone use, job application assistance, memory support, transportation, clothing donations, and equipment donations.

SHC also provides crisis management, as a contact for Sitka Police Department and EMT Services. When adults experiencing homelessness need immediate shelter, SHC is notified by local authorities and expected to provide shelter, though there is no framework for long-term solutions.

In 2018, SHC became a registered 501(c)(3) nonprofit. The leadership is a board of directors that has nine members, with 2 co-chairs, and two advisory positions.

Alaska Mental Health Trust Authority (AMHTA) showed support for SHC by funding Agnew::Beck consulting firm to write the initial feasibility report for a cabin community.

SHC collaborated with consulting firm Agnew::Beck in 2021 to develop a feasibility plan that outlines the roadmap to creating the Cabin Community. This work was evaluated through in-state and out-of-state case studies, and extensive stakeholder interviews with local organizations in the fields of affordable housing, local and Tribal government, and health and human services. Many of the points in the Agnew::Beck study have already been acted upon and achieved, demonstrating the project's feasibility and trajectory to successful project completion.

Description of the Community of Sitka

SHC provides services to the residents of the City and Borough of Sitka. Sitka is in southeast Alaska. It is a federally designated rural area with a population of 8,640 (US Census Bureau, 2019). Located on western Baranof Island, planes and ferries are the only means of transportation to and from Sitka.

According to the American Community Survey (U.S. Census Bureau. 2016. ACS , Five-year Estimates), an estimated 34% of homes in the Sitka Borough are cost burdened, spending more than 30% of their income on housing costs, which surpasses the statewide average. Additionally, given that—according to the [National Low Income Housing Coalition](#)—Sitka has a relatively low average renter wage and relatively high fair market rents, affordability poses a particularly difficult challenge to renters. In fact, the [Alaska Housing Finance Corporation](#) estimates that a renter household “needs 1.7 full-time paying jobs paying the average renter wage in order to afford a two-bedroom rental unit at fair market rent.”

Operating Environment

Local support for this project is strong; Sitka residents selected ending homelessness in our community as a top priority in 2021 through the Sitka Health Summit. This event catalyzed dozens of volunteers and representatives from different organizations to join SHC. Currently, SHC has a group meeting every Friday at 10 am with an average of 15 participants. There are several active committees.

Sitka has a diverse economy with fishing, tourism, government, military, marine services, retail, food & beverage, construction, education, and the arts.

There is currently a housing and usable land shortage in Sitka. With unmet demand for real estate on the market and expensive rentals. This continues to create roadblocks for acquiring any available buildings or land. The Alaska Mental Health Trust Authority (AMHTA) property at Jarvis Street is SHC's plan for land to develop this project.

SHC is working with AMHTA to finalize the use of the land for a nominal cost. The timeline for completion of this step is Fall of 2022.

Target Tenants & Demographics of Chronically Homeless in Sitka

The project will serve Alaska Mental Health Trust Authority Beneficiaries.

Current demographics:

- 83% of the adults experiencing homelessness in Sitka are Alaska Native.
- Many of the adults experiencing chronic homelessness in Sitka live with a developmental disability.
- The majority of the chronically homeless in Sitka are adult males.

SHC defines chronically homeless for Hítx'i Sáani (Little Houses) tenancy:

A Sitka community member (18+) who lacks or has a limited ability to obtain the external and/or internal means of securing and maintaining the basic human right of safe, stable, and adequate housing.

SHC, in an effort to most-effectively support this group of people, will define the target demographic more precisely and implement an unbiased tool for evaluating eligibility.

A Sitka community member will be recognized as a person who has been physically present within the borough for a minimum of six months.

Letters of Support:



September 21, 2022

Dear potential supporters,

Southeast Alaska Regional Health Consortium (SEARHC) strongly supports the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project.

SEARHC understands the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community. Southeast Alaska Regional Health Consortium has several decades of experience working with Alaska Native communities as a primary care provider, behavioral health support and hospital services. Over these years the linkage between culture, historical trauma, basic housing, wellness, and lifestyle habits has shown clearly. To support an individual's housing is to support their health.

Our staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and recommend funding at highest levels available.

Thank you,

A handwritten signature in black ink, appearing to read "M. Pearson", is written over the "Thank you," text.



THE SALVATION ARMY
405 Saw Mill Creek Road
Sitka, AK 99835
Mail: P.O. Box 454, Sitka, AK 99835
Doing the most good!

WILLIAM BOOTH
Founder

Brian Peddle
General

Douglas Riley
Territorial Commander

Doug Tollerud
Divisional Commander

September 22, 2022

RE: Hit'xi Saani Letter of Support

To Whom It May Concern:

The Salvation Army of Sitka supports the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community. This project is the next step in providing supportive housing services to some of Sitka's most in-need folks.

At The Salvation Army, we are feeding family that find themselves in need through the Soup Kitchen five days a week. Our numbers are averaging in the high fifties and are sometimes in the low seventies. We also make other items available to folks. We work with other lovely helping organizations in Sitka to help improve the lives of all the citizens of Sitka. This project will go a long ways in helping those in need with housing, and we would encourage your support of this project, as well.

In Christ's love,

Majors John & Sabrina Tumey

Sitka Tribe of Alaska

Tribal Government for Sitka, Alaska



9.20.2022

Dear potential supporters,

Sitka Tribe of Alaska Social Services department strongly supports the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project and hope that you will do the same.

Our social services department provides financial assistance, social, and childwelfare services to enrolled tribal citizens mainly in the Sheet'ka (Sitka) area. As such, we understand the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community. We have provided funds to temporarily shelter our tribal citizens in the coldest times of the year for a short term and temporary basis. We understand the need for a more suitable living situation for those in need of housing.

Our staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Thank you,

Melonie Boord, Licensed Clinical Social Worker (LCSW)
Sitka Tribe of Alaska Social Services Director
204 Siginaka Way, Sitka, Alaska, 99835
(907) 747-7221 Melonie.boord@sitkatriben-nsn.gov



113 Metlakatla St
Sitka, AK 99835
T 907-747-3636
F 907-747-5316
info@scpsak.org
sitkacounseling.org

September 22, 2022

Dear potential supporters,

We at Sitka Counseling strongly support the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project and hope that you will do the same.

Sitka Counseling has been providing Behavioral Health Services across the life span for the last 35+ years. We work with youth and adults with Substance use disorder and Mental Health concerns. As such, we understand the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community.

Our staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Thank you,

Amy Zanuzoski
Executive Director



September 20, 2022

Dear potential supporters,

The State of Alaska, Division of Public Health support the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project. Sitka Public Health Clinic provides community services Monday through Friday 8:00AM to Noon 12:00 and 1:00PM until 4:30PM. Services include:

- STD Screening and Treatment
- Contraception and Family planning
- Women's Health exams including pap smears
- Pregnancy Testing
- Emergency birth control
- Immunizations
- TB Screening for work or school clearance
- TB treatment
- Infectious Diseases (including COVID-19, Monkeypox)
- Well Child Screening

The department of Public Health understands and promotes equity and see the importance of working to provide essential services for our community members that face circumstances such as homelessness. Our clinical staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We provide services to people that do not have the financial means to pay, services are provided on a sliding scale based on income. No one is turned away due to an inability to pay. Sitka Public Health is open to the possibility of providing services at the cabin community located on Jarvis Street upon construction on a as needed basis.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Sincerely,
Denise Ewing, RN, BSN
Sitka Public Health Nurse



Dear Alaska Mental Health Trust,

The Sitka Health Summit Coalition (SHSC) started in 2006 with the vision of serving our state as a model for community wellness by creating a healthy community, where citizens strive for and enjoy a high quality of life. To that end SHSC organizes an annual planning day where a diverse group of Sitka residents brainstorm, evaluate and ultimately choose two important health initiatives to become funded goals. At the 13th annual Sitka Health Summit Planning Day on September 23, 2021, ending homelessness and building a cabin community to provide safe, warm, and dry places for locals in need was selected as a top goal. Out of the hundreds of ideas that got considered this rose to the top because of the need and the community support.

As a community goal the SHSC donated \$2,000 to the Sitka Homeless Coalition (SHC) to support initial cost of this cabin community building project. Additionally, this health goal is being supported by SHSC with publicity, meeting facilitation, recruiting, and coaching. It has been incredibly rewarding to see this citizen selected health initiative grow so quickly. The community support has been incredible.

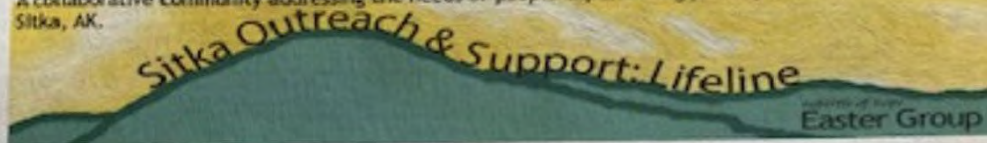
The Sitka Health Summit coalition is coordinated, funded, and supported by a team of local groups that includes the SouthEast Alaska Regional Health Consortium (SEARHC), Sitka Counseling/Hope Coalition, Sitka Tribe of Alaska, Southeast Alaska Independent Living (SAIL), the University of Alaska Southeast Sitka Campus, Sitka Conservation Society, Southeast Radiation Oncology Center, Outer Coast, and the Sitka School District. SHSC is strongly in support of the Sitka Homeless Coalition's Hit'xi Saani (Little Houses) project.

Thank you for your time and consideration,

A handwritten signature in dark ink, appearing to be "B. Miller", is written over a large, light gray watermark that reads "Committee Took Action 12/6/22".

Sitka Health Summit Coalition

A collaborative community addressing the needs of people experiencing poverty and/or homelessness in Sitka, AK.



Sitka Outreach and Support:Lifeline Group
303 Kimsham Street
Sitka, AK 99835

September 21, 2022

Dear Potential Supporter,

We at Sitka Outreach and Support:Lifeline Group (SOS) strongly support the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project and hope that you will do the same.

At SOS we provide direct services to homeless persons and those who are on the verge of homelessness through direct grants for emergency housing, clothing, bedding, tents, and travel grants for health reasons, and utilities. We also plan and conduct a yearly Project Homeless Connect. As such, we understand the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community.

Our volunteers have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Thank you,
Julia Smith
President

[907] 738-6336 / eastergroupsitka@gmail.com / 303 Kimsham St, Sitka, AK 99835 / EIN: 80-0647738 / 501(c)3 status

9/22/22

Dear potential supporters,

We at the University of Alaska Southeast - Sitka Campus strongly support the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project and hope that you will do the same.

At UAS Sitka, we offer classes and training that help our students become more equipped to secure jobs with livable wages and become informed and engaged members of our communities. There are times that some of these students find themselves in very difficult life circumstances, including being homeless. As such, we understand the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community.

Our staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Thank you,



Dr. Paul Kraft
UAS Sitka Campus Director



Sitkans Against Family Violence

P.O. Box 6136, Sitka, Alaska 99835 • (907) 747-3370 • Fax (907) 747-3450 • Crisis Line (800) 478-6511

September 20, 2022

Dear potential supporters,


Sitkans Against Family Violence (SAFV) strongly support the creation of the Hit'xi Saani cabin community project in Sitka. Homelessness is a long-standing problem in our community and the housing first project, led by the Sitka Homeless Coalition (SHC), is a vital next step in providing supportive housing services to some of Sitka's most in-need residents. We fully support this project and hope that you will do the same.

SAFV is a domestic violence and sexual assault prevention and advocacy organization. We currently serve as the only shelter in Sitka providing temporary shelter to survivors of violence. Due to our limited capacity, we are not able to provide shelter to everyone in need, and we do not serve as a long-term solution for housing. As such, we understand the urgency and importance of the work being done to provide essential services for these too-often overlooked members of our community.

Our staff have worked with people who have experienced homelessness and are willing to meet people where they are at. Our resource and referral materials will be provided and restocked to SHC so they can be available to all the residents of Hit'xi Saani. We can and do provide services to people that do not have the financial means to pay and, if needed, we are open to the possibility of providing services at the cabin community located on Jarvis Street upon construction.

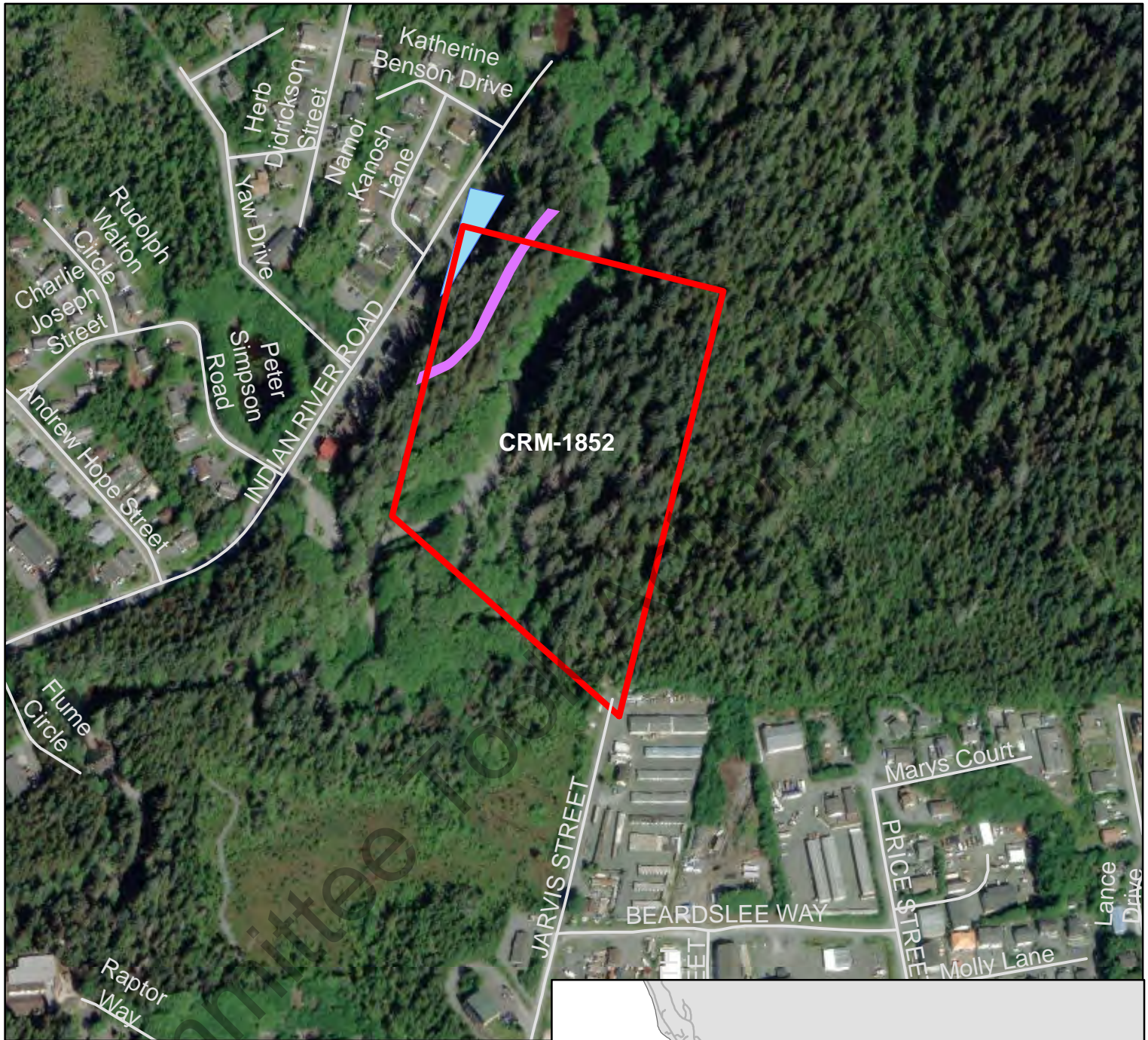
Ending homelessness is an important community goal in Sitka. We are excited to provide our support for this effort and hope that you will do the same.

Thank you,


Natalie Wojcik

Executive Director


Sitkans Against Family Violence

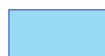


MHT 9101102, Parcel CRM-1852

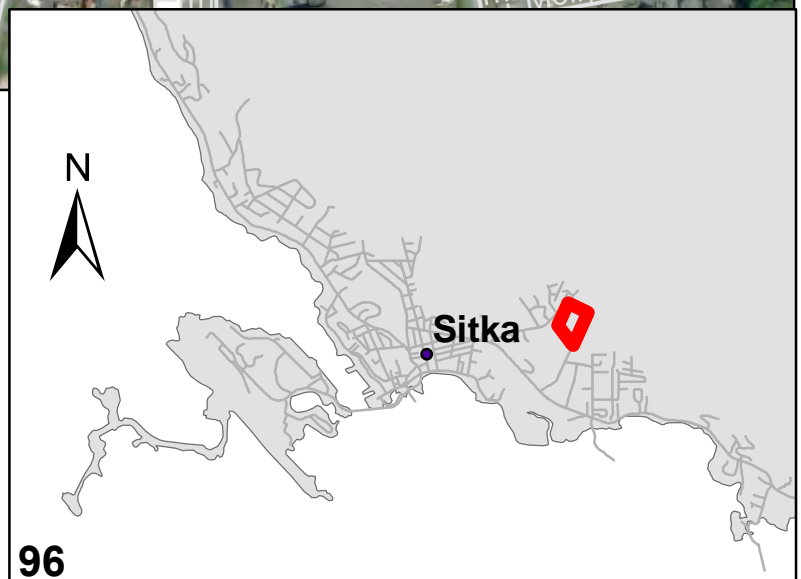
— Roads

 MHT 9101102

 MHT 9100320, Easement

 MHT 9100220, Land Sale

0 125 250 500 750 1,000 Feet



Memorandum



To: Anita Halterman, Chair of the Board of Trustees
Through: Steve Williams, Chief Executive Officer
From: Jusdi Warner, Executive Director
Date: January 13, 2023
Subject: January 6, 2023 – Resource Management Committee Meeting Summary

The Resource Management Committee met on January 6, 2023 and received an extensive update of key TLO activities from the Executive Director Report.

The Resource Management Committee ended with an Icy Cape Gold and Heavy Minerals Project update by Executive Director Jusdi Warner.

There were no consultations or approvals presented to the RMC.

*cc: Board of Trustees
Steve Williams, CEO Alaska Mental Health Trust Authority
Jusdi Warner, Executive Director, Trust Land Office*

Statutory Advisor Update

- **Alaska Mental Health Board /
Advisory Board on Alcoholism &
Drug Abuse**
- **Alaska Commission on Aging**
- **Governor's Council on Disabilities
and Special Education**

STATUTORY ADVISOR UPDATE

JANUARY 2023



AMHB/ABADA MISSION

- The Alaska Mental Health Board (AMHB) and the Advisory Board on Alcoholism and Drug Abuse (ABADA) are charged with planning and coordinating behavioral health services funded by the State of Alaska.
- The joint mission of AMHB/ABADA is to advocate for programs and services that promote healthy, independent, productive Alaskans.

PRESENTATION AGENDA

- Introduction of AMHB/ABADA Chairs
- AMHB/ABADA Achievements 2022

AMHB/ABADA ACHIEVEMENTS 2022

SUBSTANCE MISUSE

SYSTEMS PLANNING, COORDINATION AND ADVOCACY

- Staffed the Governor's Advisory Council on Opioid Remediation
- Working in partnership with the Office of Substance Misuse and Addiction Prevention (OSMAP) on Initiatives Including:
 - Statewide Community Cafes and Statewide Opioid and Polysubstance Use Action Plan Update
 - State Overdose Surge and Pain Clinic Closure Plan Development
 - Drug Overdose Death Review
 - Member of the Statewide Opioid Work Group and the Alaska Opioid Coalition
- Member of Department of Health Anti-Stigma SUD/ODU Public Media Workgroup
- Member of the Recover Alaska Advocacy Committee
- Member of the HRSA Opioid Response Learning Collaborative
- Member of the I I I 5 Waiver Renewal Workgroup

Top 2022 Accomplishments

Drafting the Governor's Advisory Council on Opioid Remediation Report.

SB 9 – Alcoholic Beverage Control (ABC) Board, Alcohol Regulations (Sen. Micciche)

HB 265 – Health Care Services By Telehealth (Rep. Spohnholz)



SUBSTANCE MISUSE COMMUNITY ENGAGEMENT

Online Board Meeting-February 2022 Continuum of Care for Substance Misuse Panel

Community presenters included staff from Bartlett Outpatient Psychiatric Services, Front Street Clinic, SEARHC, and Public Health Nursing,

Sitka Board Meeting-May 2022 Behavioral Health Continuum of Care Community Panel

Community presenters included staff from Sitka Counseling and Prevention, SEARHC, Sitka Police, Sitka Fire Department, Division of Juvenile Justice, First Judicial District, and the Sitka Tribe as well as culture bearers from the community.

Site visits included Sitka Counseling's Adult Residential Treatment Housing, SEARHC Adult Substance Use Disorder Lodging, Raven's Way Adolescent Substance Use Treatment Facility.

Fairbanks Board Meeting-October 2022

Site visits included the True North Recovery Residential Treatment Facility.

- AMHB/ABADA Board received public comment at every board meeting from consumers and advocates on substance misuse.
- AMHB/ABADA staff also led public engagement efforts on the Governor's Advisory Council for Oil and Gas Remediation.

MENTAL HEALTH AND CRISIS SERVICES

SYSTEMS PLANNING, COORDINATION AND ADVOCACY

- Member of the API Governing Board
- 2023-2024 Behavioral Health Assessment and Plan Review- SAMHSA Block Grant
- Member of the statewide 988 Implementation Steering Team, Co-Chair of the 988 Sustainability Subcommittee, Member of the 988 Communications Subcommittee
- Member of the HB 172 Policy Workgroup
- Leading the Statewide Suicide Prevention Planning Effort
- Member of the Adolescent Behavioral Healthcare Workgroup
- Member of the Zero Suicide Steering Committee
- Member of the Statewide Crisis Now Steering Committee
- Member of Linkage to Care Partnership Grant Steering Committee
- Member of the Comprehensive Mental Health Plan Leadership Team

Top 2022 Accomplishments

Successfully supporting the launch of 988.

HB 172 – Crisis Stabilization, Mental Health Facilities (Governor Dunleavy)

Working with multiple statewide partners to draft the five-year suicide prevention plan.

MENTAL HEALTH AND CRISIS SERVICES

COMMUNITY ENGAGEMENT

Online Board Meeting-February 2022 Community and Behavioral Services in Southeast Alaska Panel

Community presenters from the Central Council of the Tlingit and Haida Indian Tribes of Alaska

Sitka Board Meeting-May 2022 Behavioral Health Continuum of Care Community Panel and Crisis Services Panel

Community presenters from Sitka Counseling and Prevention, SEARHC, Sitka Police, Sitka Fire Department, Division of Juvenile Justice, First Judicial District, and the Sitka Tribe as well as culture bearers from community.

Site visits included the Sitkans Against Family Violence Shelter and the Sitka Jail.

Fairbanks Board Meeting-October 2022 Crisis Services Panel

Community presenters from the City of Fairbanks, Alaska Careline, Alaska Behavioral health, Restore Incorporated, True North Recovery and the Fairbank Police Department

Site visits included the Tamarack Living Center, Breadline Inc./ Stone Soup, and the Fairbanks Rescue Mission.

- AMHB/ABADA Board received public comment at every board meeting from consumers and advocates on mental health and crisis services.



YOUTH MENTAL HEALTH

SYSTEMS PLANNING, COORDINATION AND ADVOCACY

- Member of the Mental Health Supports in Alaska Schools Workgroup
- Member of the Adolescent Behavioral Healthcare Workgroup
- Member of the Alaska Early Childhood Council
- Member of Advisory Workgroup for Family Services Training Center
- Member of Partnership Access Line – Pediatric Alaska (PAL-PAK) Steering Committee
- Attending and supporting Family Focused Treatment Association Alaska Chapter meetings
- Member of the YRBS Statewide Advisory Committee
- Attend Monthly Residential Care for Children & Youth Meetings

Top 2022 Accomplishments

Contributing to the completion of the Mental Health Supports in Alaskan Schools Assessment.

Partnering with the Division of Behavioral Health to support their award of the Garrett Lee Smith Grant for suicide prevention initiatives for Alaskan youth.



YOUTH MENTAL HEALTH COMMUNITY ENGAGEMENT

Online Board Meeting-February 2022 Statewide Panel on Youth Mental Health Services

Community presenters from Alaska Behavioral Health, Juneau School District, Bering Strait School District and Residential Youth Care.

Sitka Board Meeting-May 2022 Continuum of Care Panel/ Strength of Culture in Schools Panel

Community presenters from SEARHC, Center for Community Early Learning Program, Youth Advocates of Sitka, and Pauline Duncan-Retired Teacher and Storyteller

Site visits included Pacific High School and Ravens Way,

Fairbanks Board Meeting-October 2022

Site Visits: Family Services Center, Fairbanks Youth Facility, and Graf Rheenerhanjii (the Healing Place).

- AMHB/ABADA Board received public comment at every board meeting from consumers and advocates on youth mental health.
- AMHB/ABADA receives SAMHSA Block Grant funding from the Division of Behavioral Health to hear from communities about the mental health needs of Alaskan youth.

AMHB/ABADA UPDATES

- Next AMHB/ABADA Board meeting will be in Juneau- Date TBD
- Joint Advocacy Teleconferences begin Friday, January 27th at 12:15 pm
- Stephanie Hopkins was promoted to our Program Coordinator 2 position, and now serves as the Joint Advocacy Coordinator for the Trust, GCDSE and the ACoA.
- The five-year Suicide Prevention Plan is out for public comment now.



QUESTIONS AND COMMENTS?

THANK YOU!

Alaska Mental Health Trust

January 24, 2023



Alaska Commission on Aging

Alaska Department of Health

Commission Members

Bob Sivertsen, Public Member, Chair, Ketchikan

Paula Pawlowski, Public Member, Anchorage

Nona Safra, Public Member, Homer

Michael Coons, Public Member, Palmer

Jan Engan, Public Member, Palmer

Bob Pawlowski, Pioneer Home Advisory Board Chair, Anchorage

Pam Samash, Public Member, Nenana

Darlene Supplee, Senior Service Provider, Fairbanks

Anthony Newman, Department of Health, Juneau

Lisa Von Barga, Department of Commerce, Anchorage

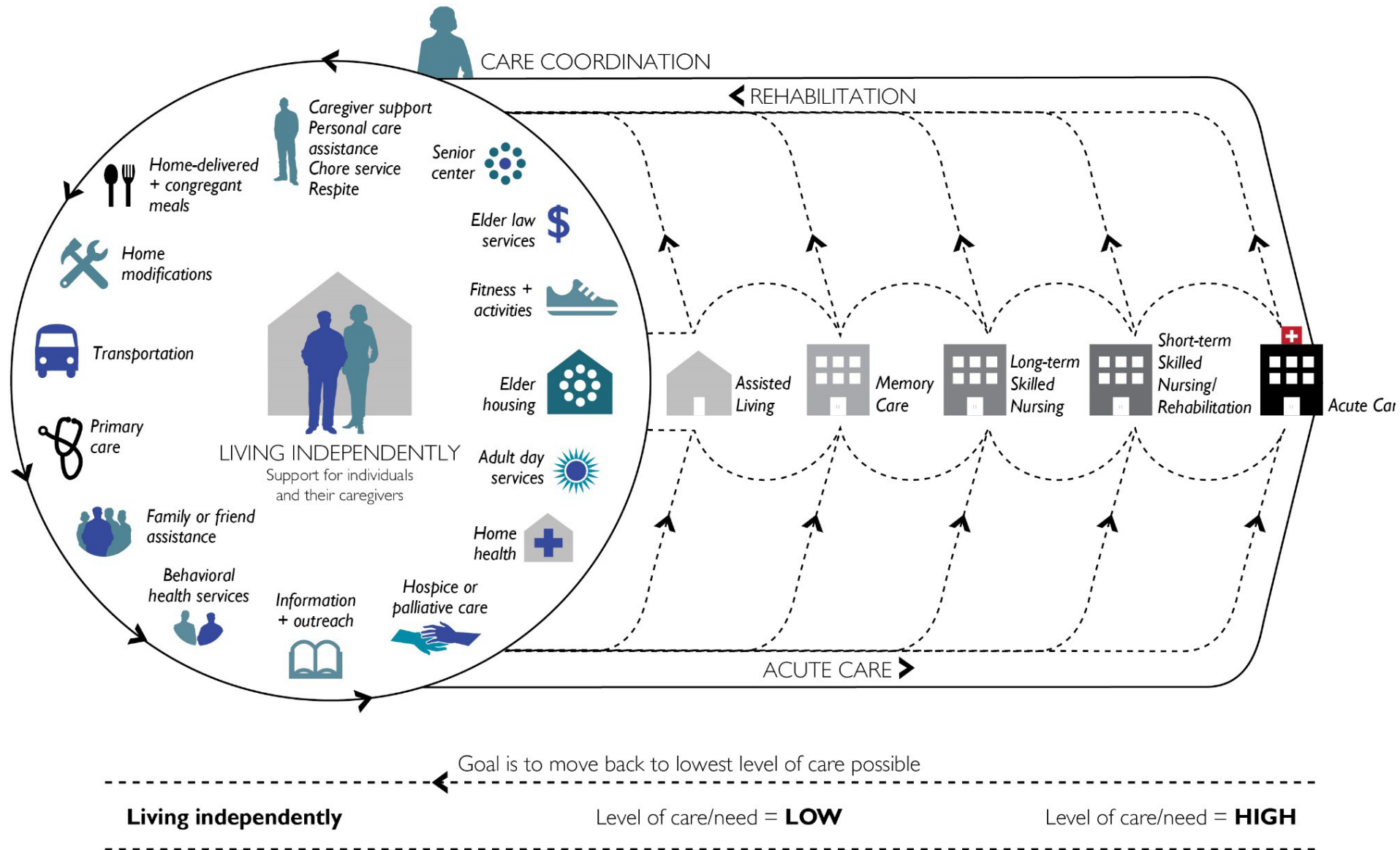
Cheryl LaFollette, Public Member, Fairbanks

The Commission on Aging

“The mission of the Alaska Commission on Aging is to ensure the dignity and independence of all older Alaskans, and to assist them to lead useful and meaningful lives through planning, advocacy, education, and interagency cooperation.”

- Established by Alaska statute in 1981
 - *Advocates* for the needs and concerns of older Alaskans to the Governor, Legislature, Congressional delegation, and the public.
 - *Advises* the Governor, Legislature, Congressional delegation and the public on current and potential programs and services for older Alaskans and their caregivers.
 - *Provides recommendations* to the Alaska Mental Health Trust Authority on programs and services to improve the lives of senior Trust beneficiaries

Long-term Continuum of Care for Seniors



Presentation Outline

- ACoA Updates
- Demographic Trends
- State Plan Overview
- Survey Data



Updates

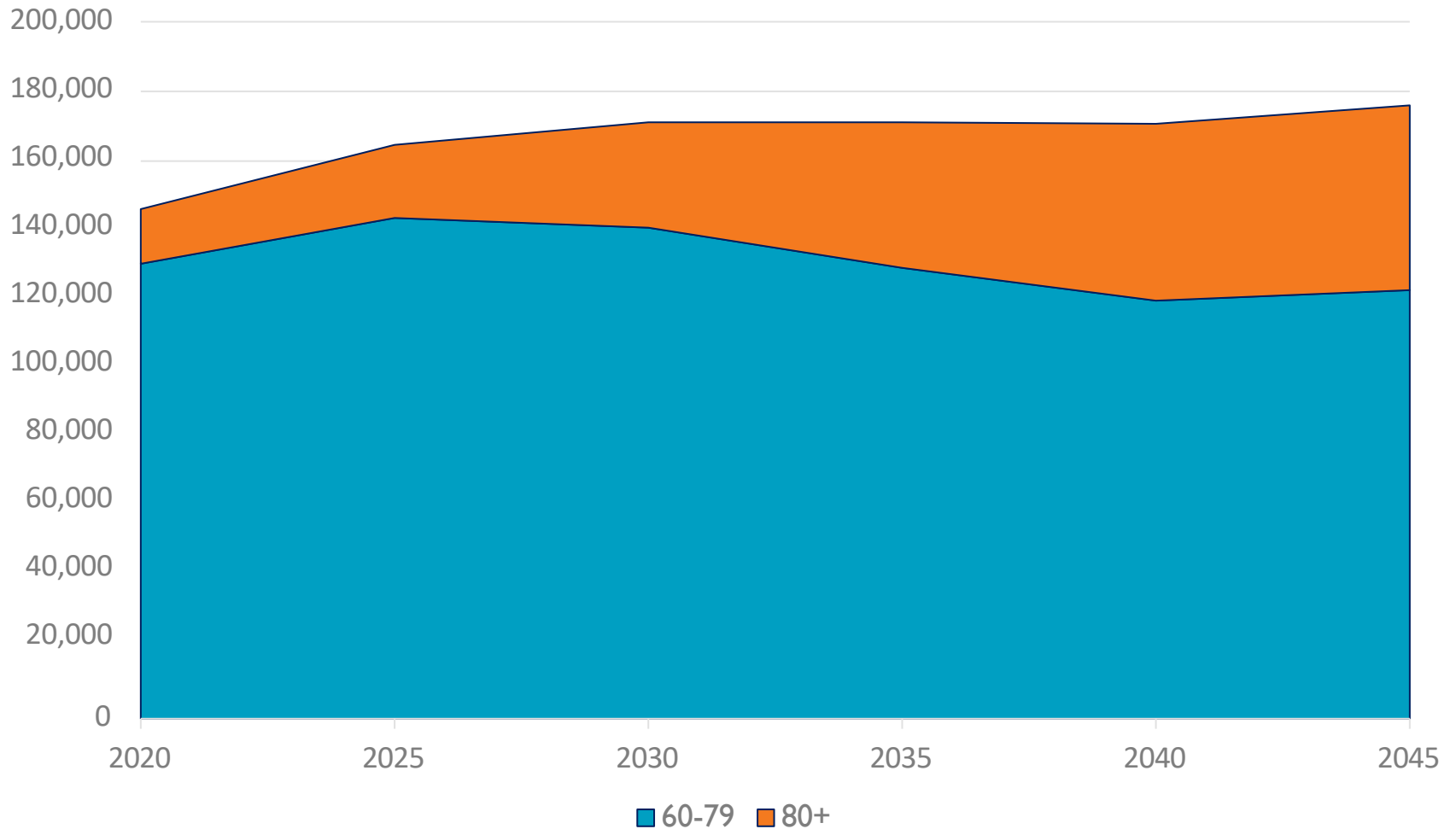


- Senior Snapshot
- Advisory Committee meetings
- Sunset Audit Started
- Legislative: Advocacy Day, Lunch and Learn
- Meeting on February 27, 2023

Alaska's Senior Population

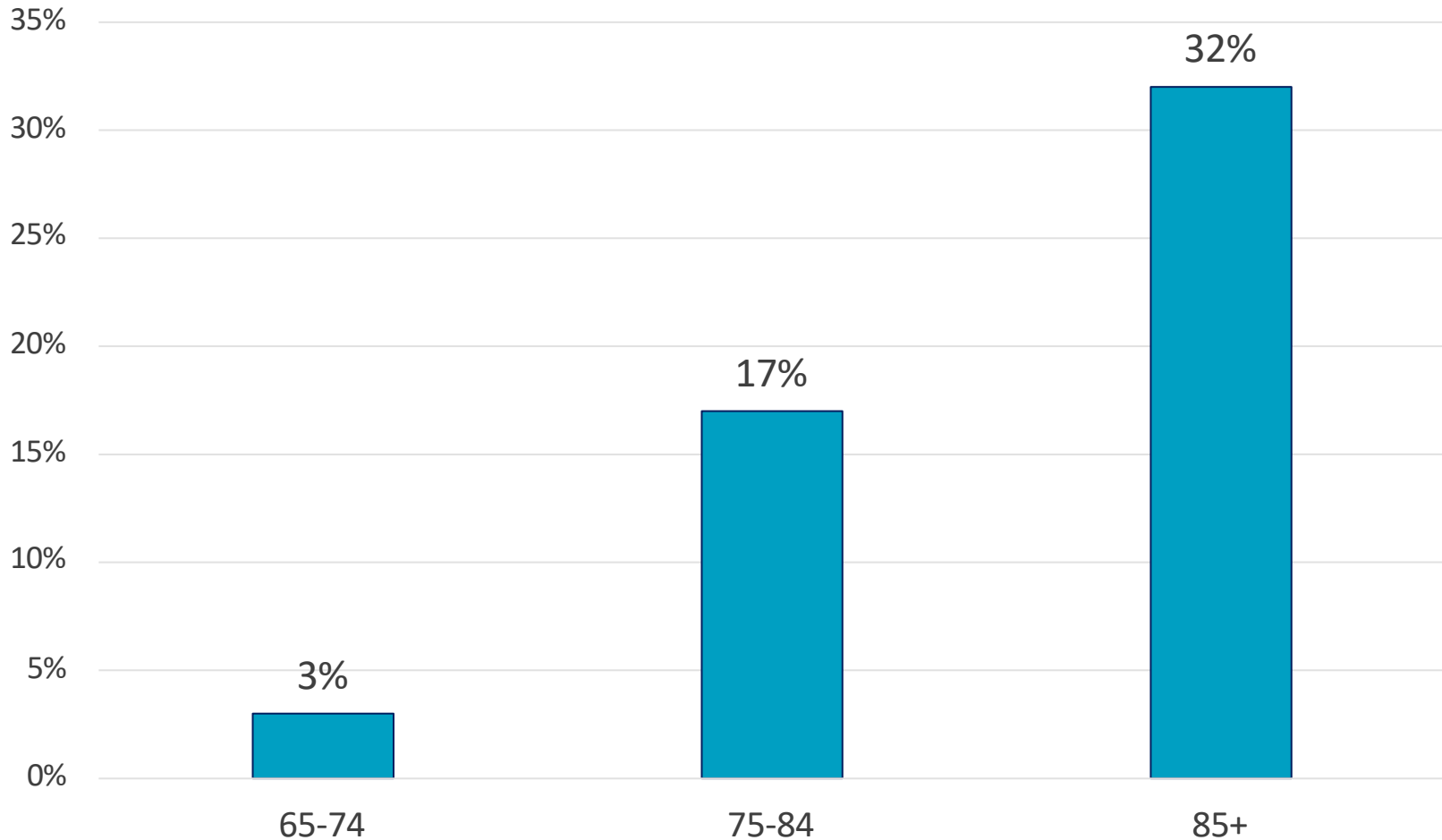
- In 2022, Alaskans age 60+ represent more than 20% of the State's total population.
- Alaska's 60+ population increased by 62% between April 2010 and July of 2021.
- Alaska's 70+ population increased by 84% between April 2010 and July of 2021.
- Alaska's 85+ population increased by 87% between April 2010 and July of 2021.
- Alaska's 85+ population is expected to increase by 500% between 2022 and 2050 to 30,000 seniors, of which, 1/3 will experience Alzheimer's and Related Dementia.

Senior Population Projection



Alaska Department of Labor and Workforce Development Population Projections
through 2045

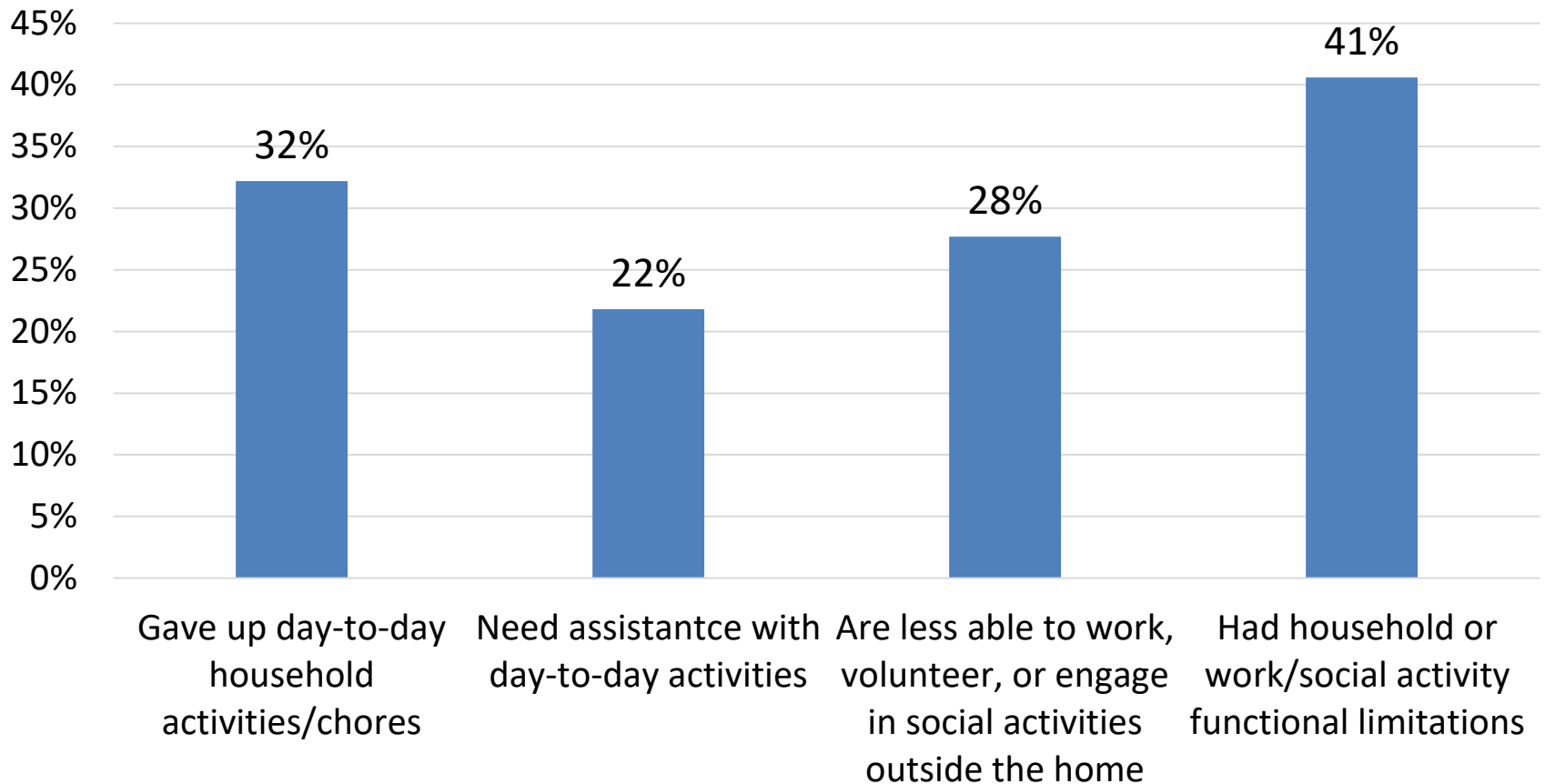
Rates of Alzheimer's Disease Increases with Age



Source: Alzheimer's Association, 2019 Alzheimer's Statistics Facts and Figures Report. Projections. Note: Estimates do not include the related dementia that is not considered Alzheimer's.

Potential Impacts of ADRD

People 60+ with subjective cognitive decline (SCD) reported that due to their SCD they:

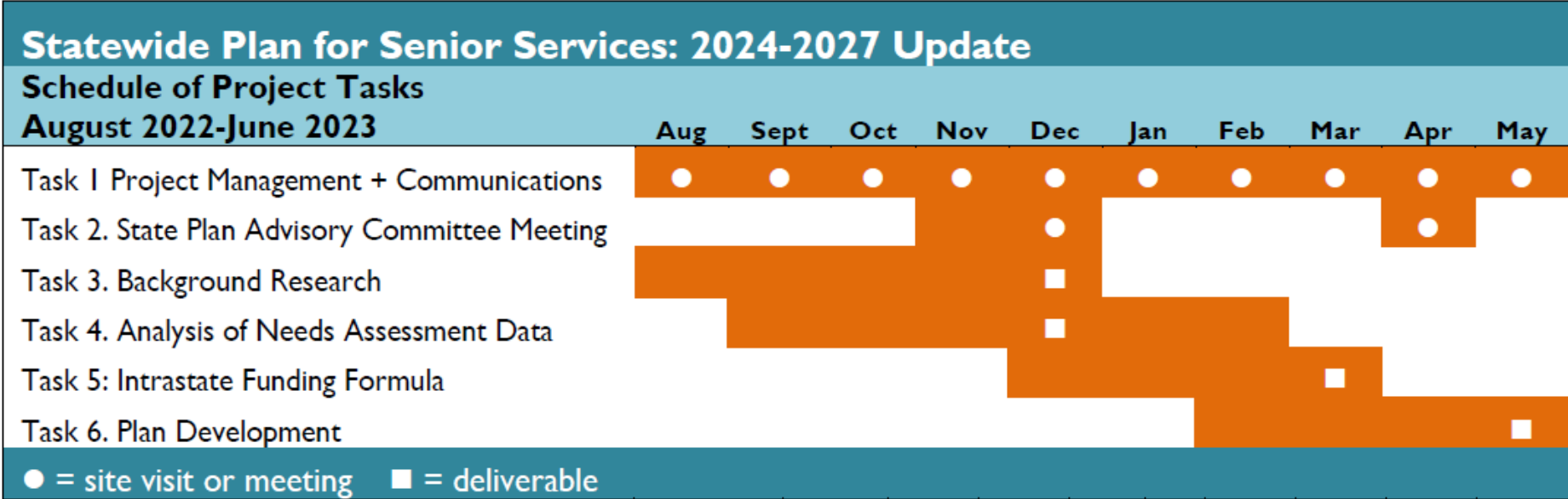


What is the Alaska State Plan for Senior Services?

- Satisfies a federal requirement for all states receiving federal funds under the Older Americans Act for their senior programs and services.
- Vision statement along with a core set of goals, objectives, strategies, performance measures, and an intrastate funding formula.
- Alaska's plan is a four-year comprehensive plan for senior services including: meals, transportation, homemaker and family caregiver, services safety and protection, adult day, senior housing, vocational training, legal assistance, and more.
- The current plan expires on June 30, 2023 in accordance with Biden-Harris priorities

State Plan for Senior Services: FY24-FY27

Timeline



State Plan for Senior Services: FY2024 to 2027

Needs Assessment

Senior Survey

- Targeted survey for Alaskans age 55+
- Used to learn about priorities from a senior perspective

Elder Listening Sessions

- Conversations with Seniors and Public Members
- Targeted questions to identify what is and is not working for seniors in Alaskan Communities.

Provider Survey

- Targeted survey for community-based service provider agencies and community health centers
- Demonstrate the needs and considerations of service providers

Provider Survey 2022 - Key Findings

Top five issues facing seniors and their families:

- Independent living senior housing
- Assisted transportation
- Assisted living services
- Homemaker assistance

Biggest roadblocks to providers:

- Workforce shortages
- Senior population growth
- Lack of sufficient funding
- Overcoming setbacks from the pandemic

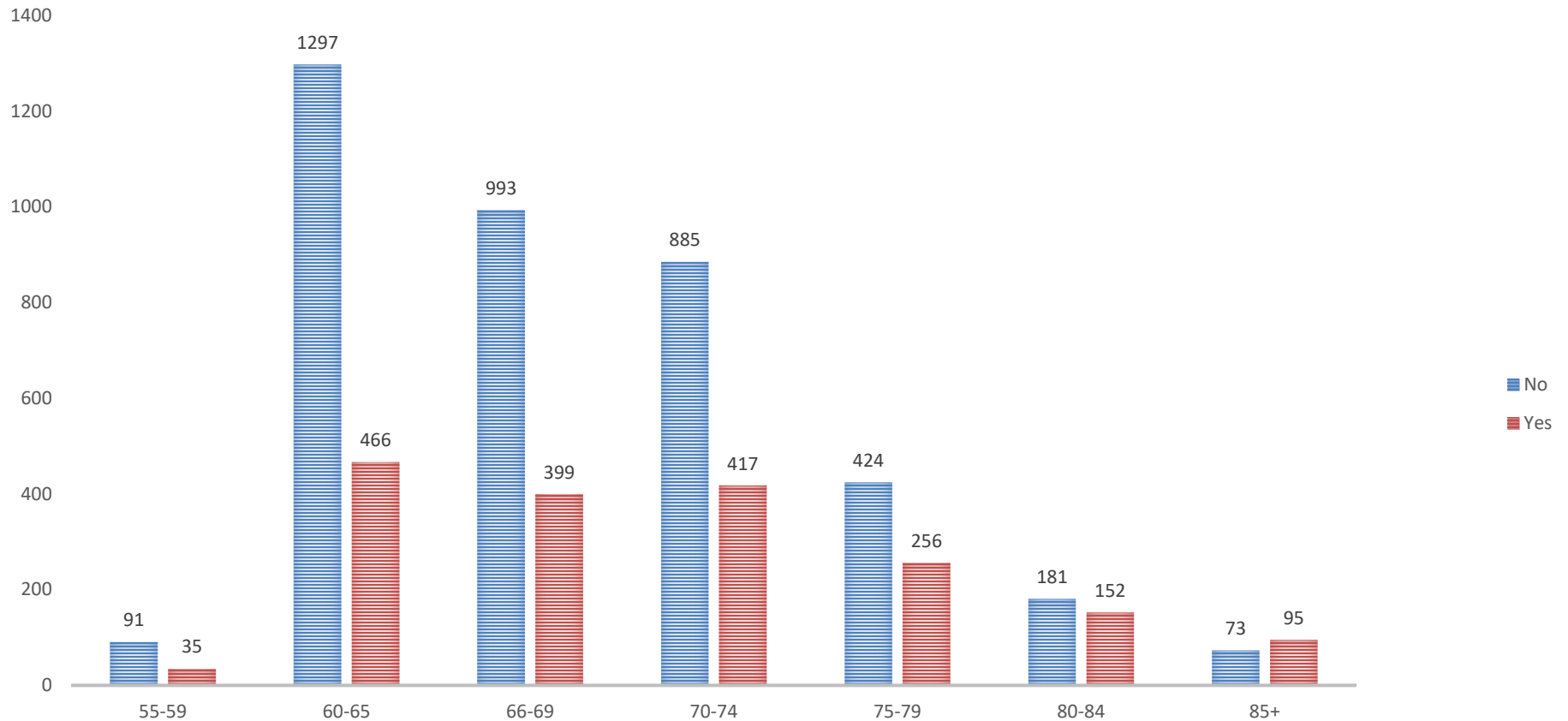
Senior Survey Findings

What service(s) do you believe are needed in your community?

	VERY IMPORTANT	SOMEWHAT IMPORTANT	LESS IMPORTANT
(c) Health Care Services	84.25% 4,077	12.77% 618	2.23% 108
(e) Affordable and accessible housing	70.36% 3,400	20.36% 984	8.03% 388
(i) Services for seniors with dementia and support for their families	64.76% 3,122	25.22% 1,216	7.53% 363
(j) Senior protection	64.28% 3,084	24.84% 1,192	8.69% 417
(d) Transportation	60.68% 2,923	30.23% 1,456	8.32% 401

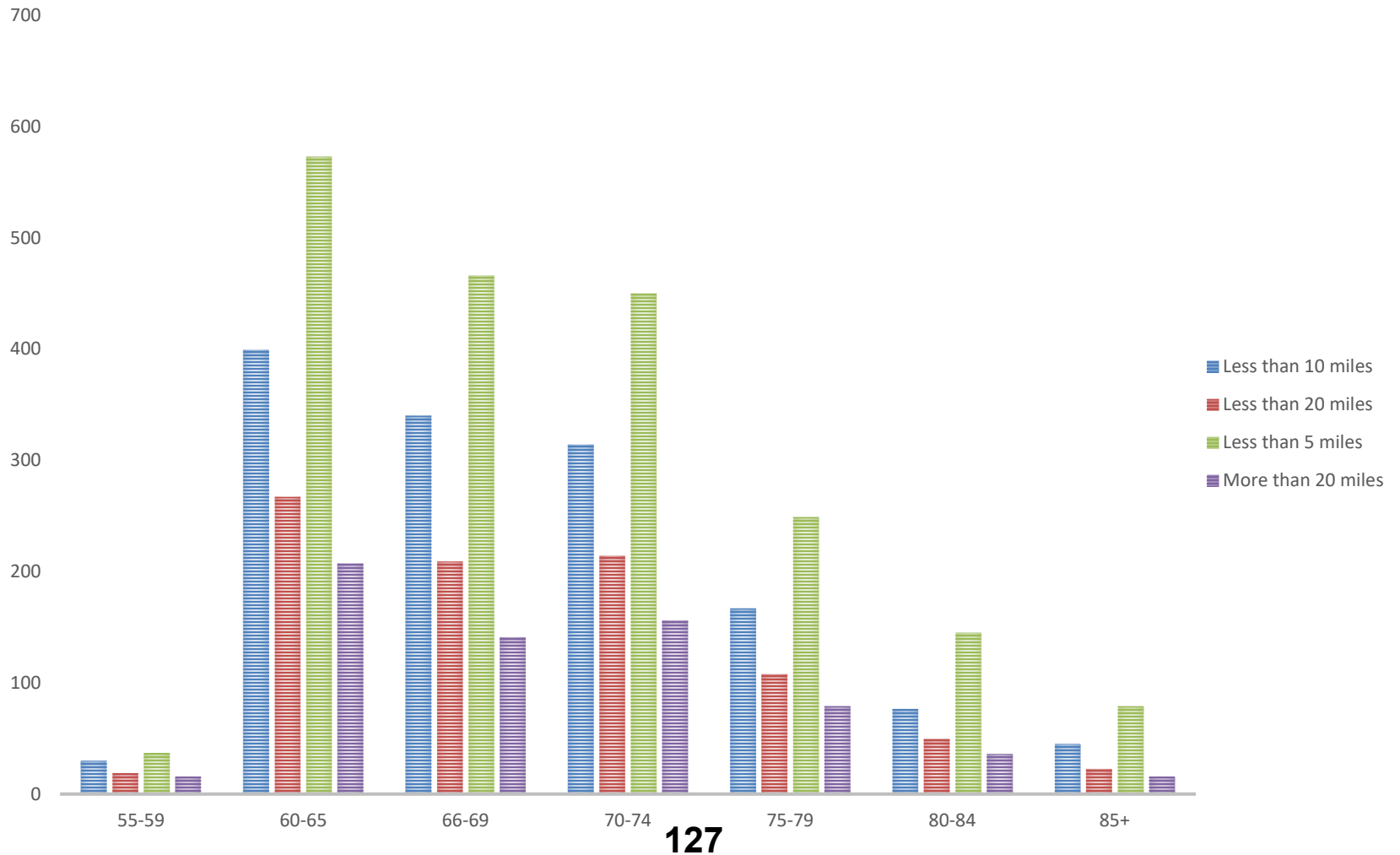
Senior Survey Findings

Do you live alone?



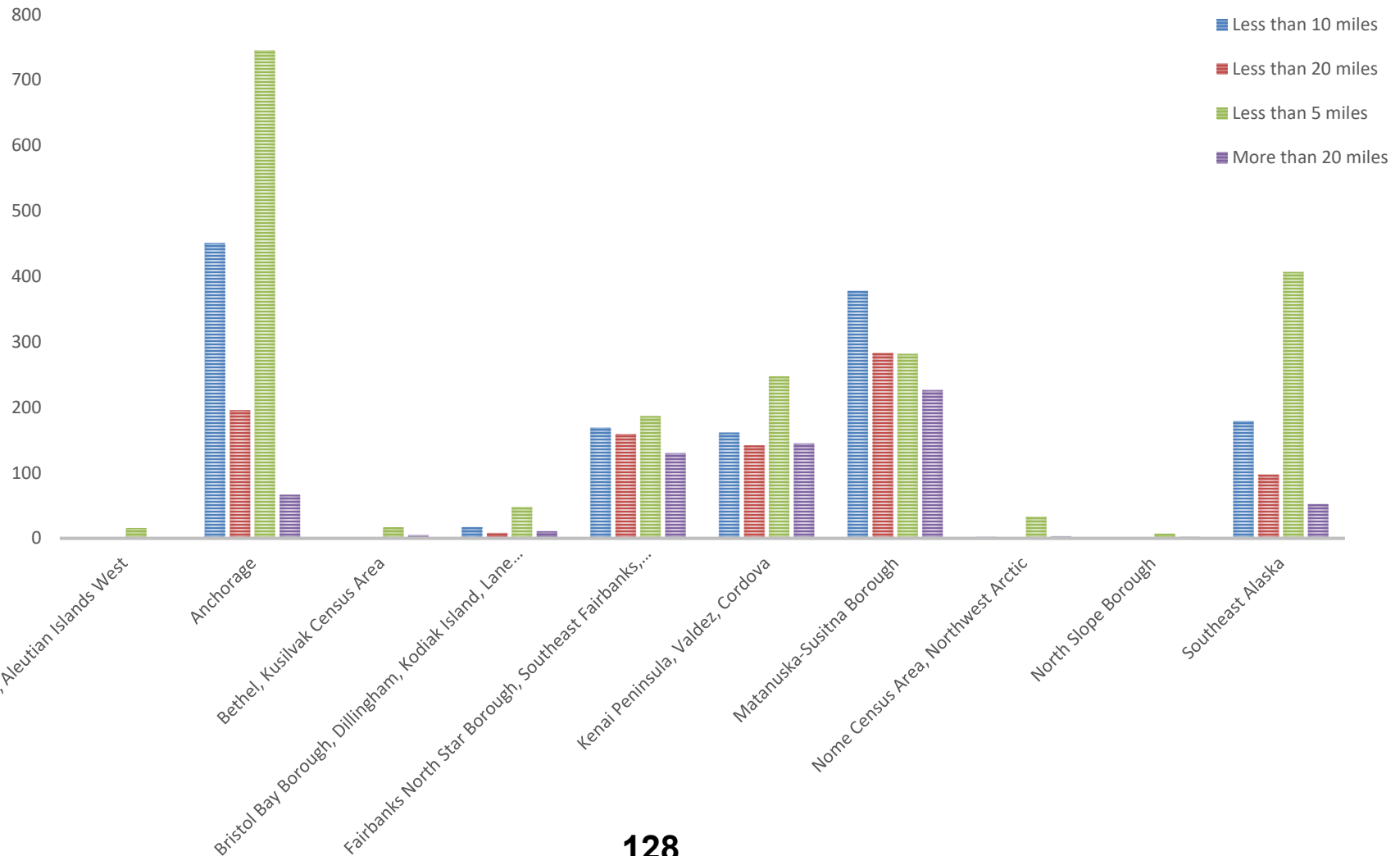
Senior Survey Findings

How far do you have to travel?



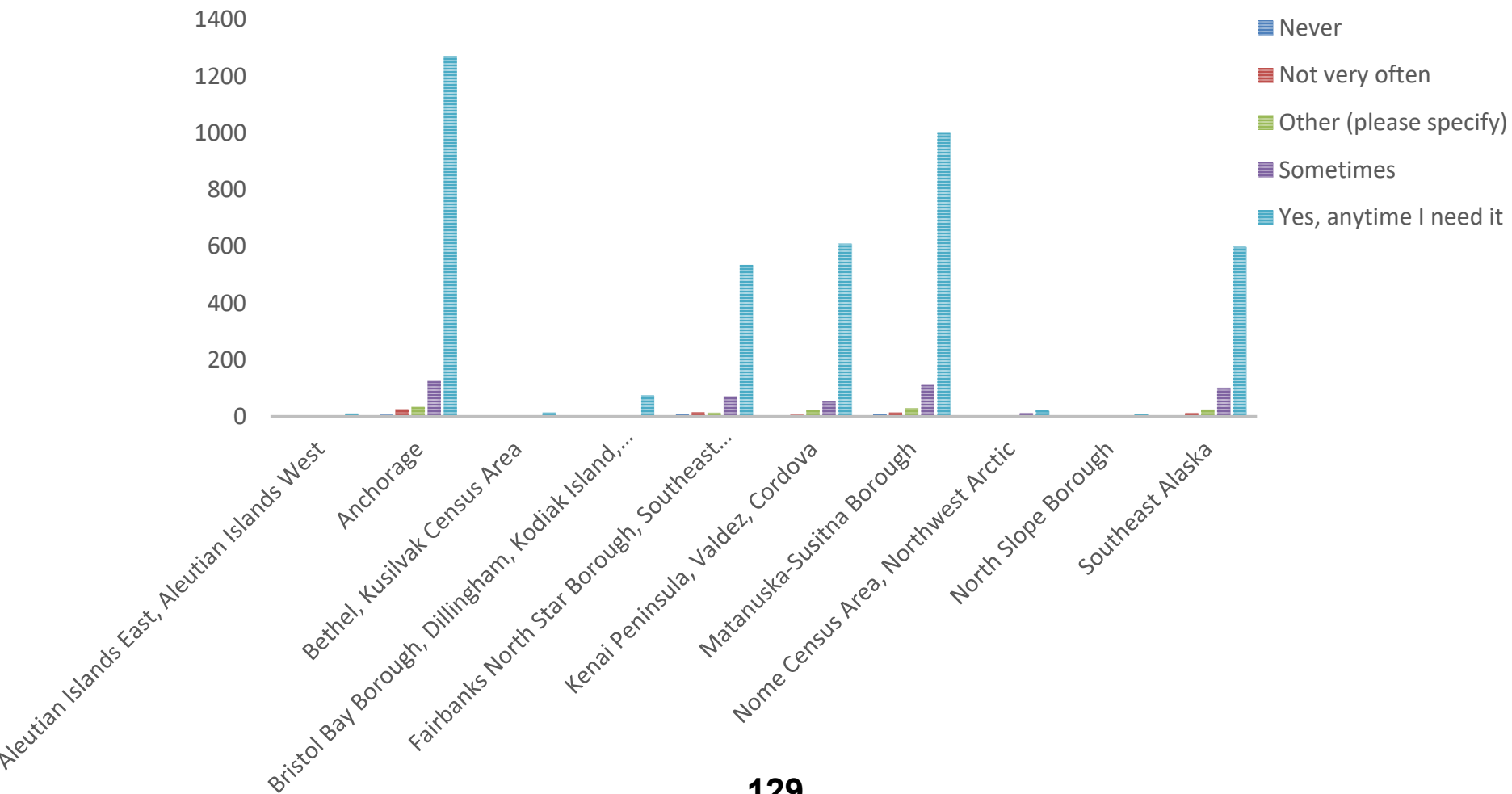
Senior Survey Findings

How far do you have to travel?



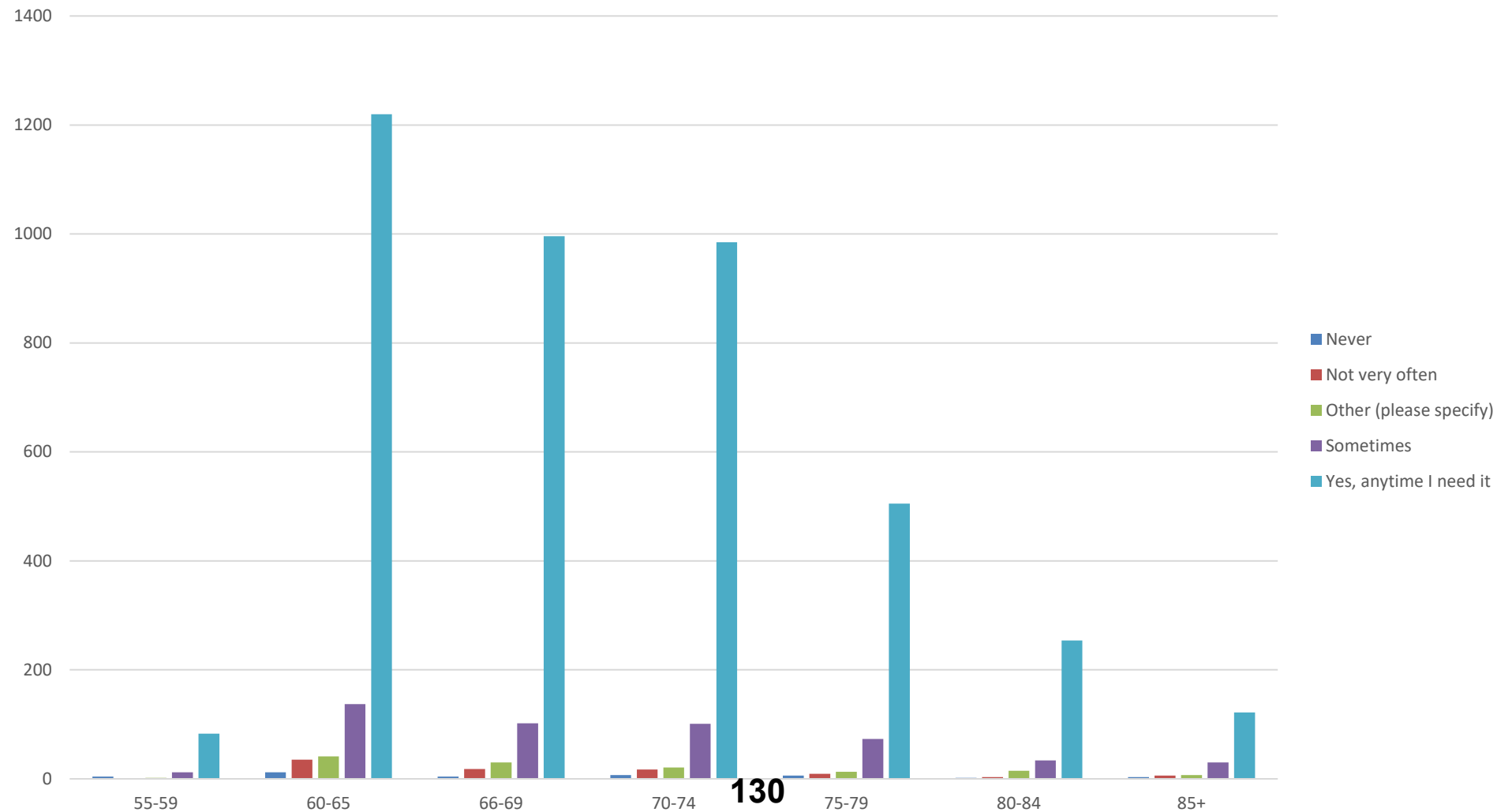
Senior Survey Findings

Do you have access to reliable transportation?



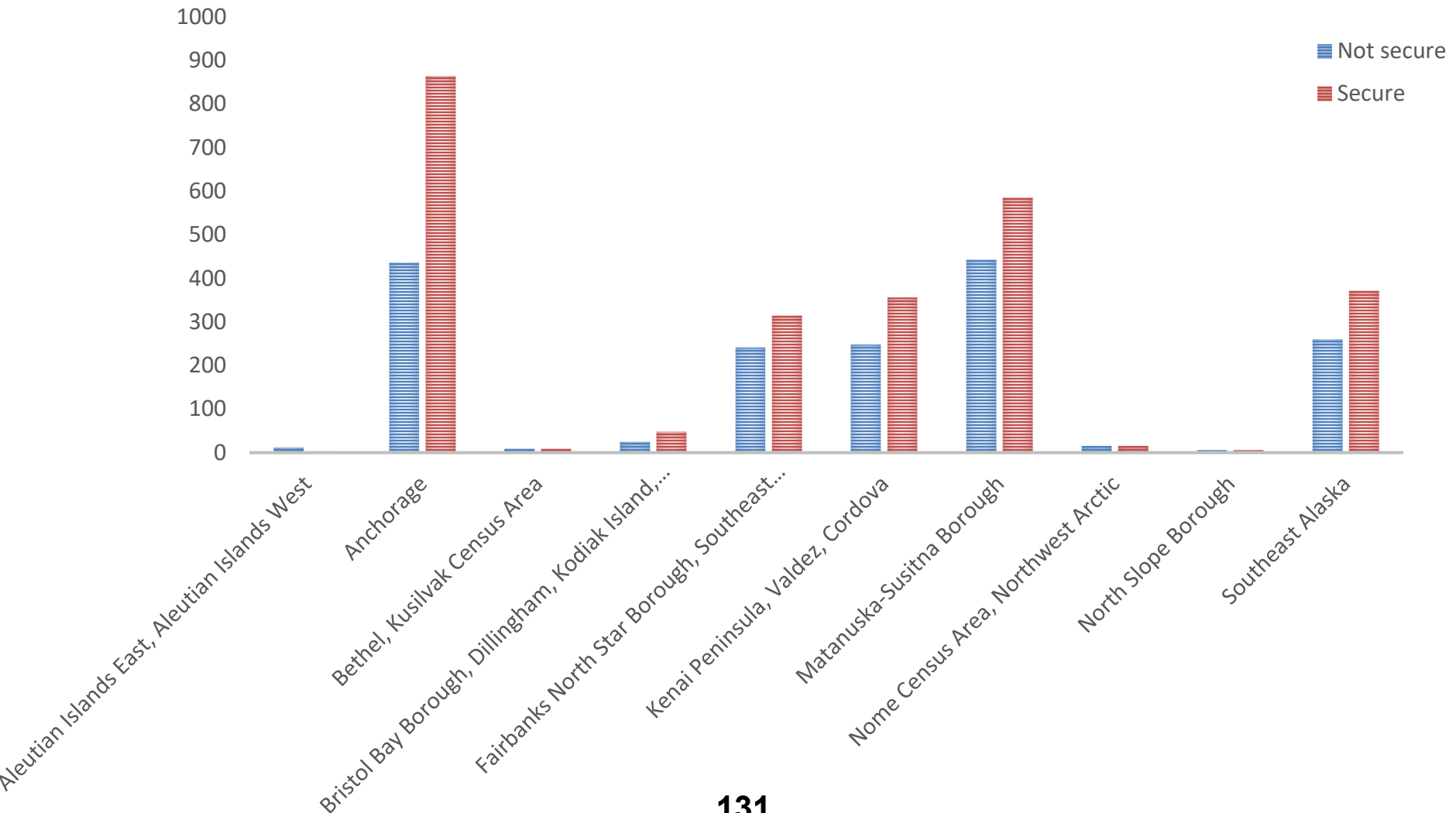
Senior Survey Findings

Do you have access to reliable transportation?



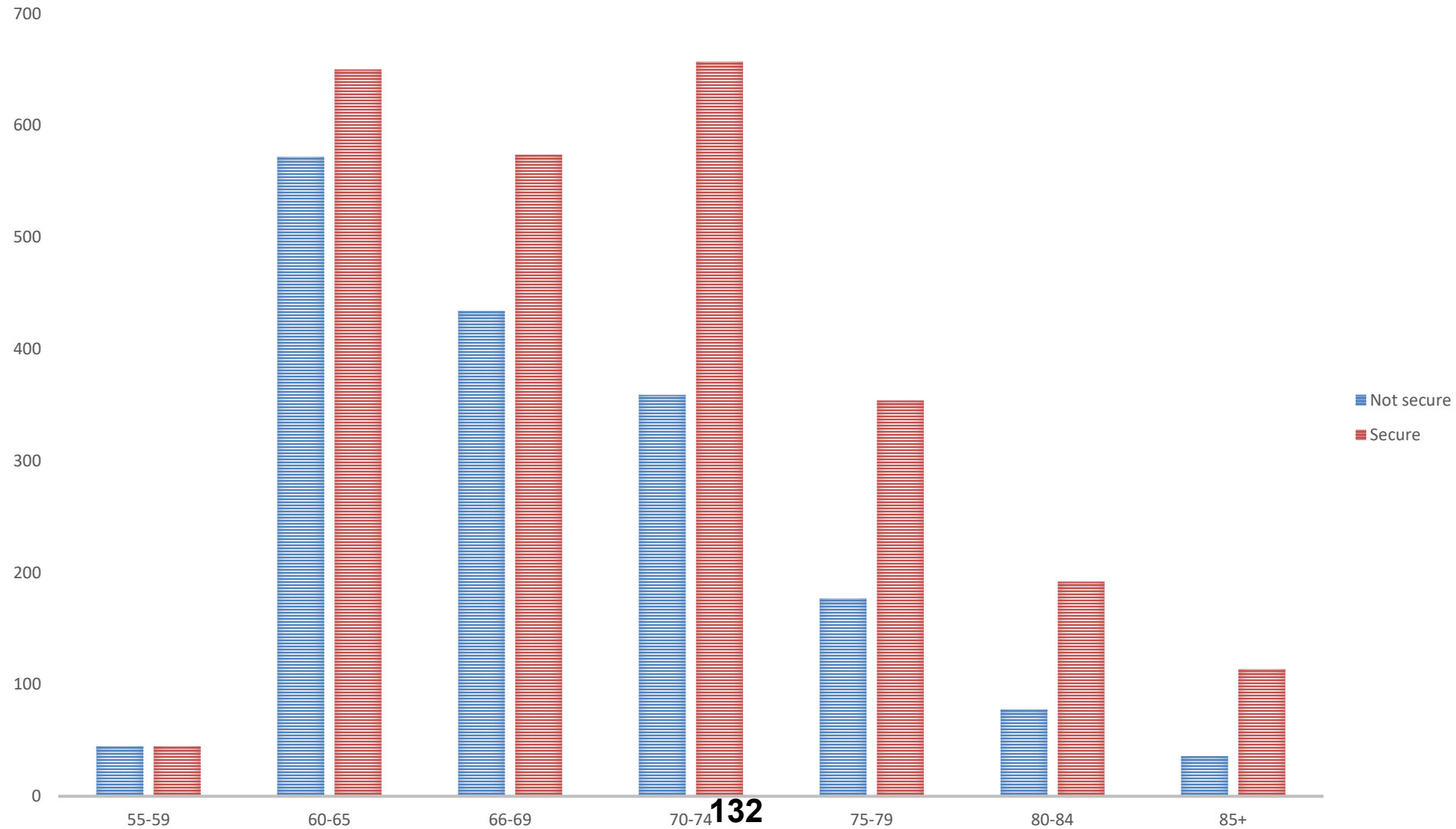
Senior Survey Findings

How secure are you in handling unanticipated expenses? By region.



Senior Survey Findings

How secure are you in handling unanticipated expenses? By age group.



Funding Formula

Allocates Older American Act federal funding within the state for home and community-based services, which is directed to older people with the greatest social and economic need:

- Food and meals
- Transportation
- Caregiver assistance

Five Weight Factors

Component	Definition	Current Weighting
1. Total Senior Population Factor	Age 60+	12.5
2. Minority Factor	Nonwhite and/or Hispanic	12.5
3. Poverty Factor	Below 175% of the Alaska Poverty Level	27.5
4. Frail Factor	Age 80+	25
5. Rural Factor	Urban: MOA, FNSB, MSB Rural: CBJ, KGB, KPB, KIB Remote: Everything else	urban (0), rural (11.25), and remote (22.5).

Notes:

- 5.74% is held for statewide programs, including legal and media services
- Actual funding depending on provider capacity

3.15.19 data	60+ 2017	80+ 2017	Min 2017	Pov 2017	Rural	State General Fund (5-Factor)		Base Allocation of Federal Funding		Total
Weight Factors	12.5	25	12.5	27.5	22.5	\$2,364,691		\$4,770,743		\$7,135,434
						less Reg10	\$2,228,957.74		\$4,496,902.35	
Bethel Census Area	2,133	220	1,783		2,133					
Kusilvak Census Area	761	91	711		761					
Region 1 Total	2,894	311	2,494	484	2,894	4.6%	\$102,782.15	4.87%	\$218,999.14	\$321,781.29
Denali Borough	383	36	63		383					
Fairbanks North Star B	16,135	1,534	2,746		0					
Southeast Fairbanks	1,477	170	278		1,477					
Yukon-Koyukuk	1,165	133	797		1,165					
Region 2 Total	19,160	1,873	3,884	891	3,025	12.8%	\$286,116.58	13.45%	\$604,833.37	\$890,949.95
North Slope	1,096	78	708		1,096					
Region 3 Total	1,096	78	708	32	1,096	1.5%	\$33,495.40	1.74%	\$78,246.10	\$111,741.50
Anchorage	49,066	5,769	13,468		0					
Region 4 Total	49,066	5,769	13,468	2,243	0	29.7%	\$661,060.57	26.35%	\$1,184,933.77	\$1,845,994.34
Kenai Peninsula	14,526	1,547	1,521		7,263					
Valdez-Cordova	1,875	138	435		1,875					
Region 5A Total	16,401	1,685	1,956	984	9,138	15.1%	\$337,532.76	15.15%	\$681,280.71	\$1,018,813.47
Matanuska-Susitna	18,210	1,827	1,975		0					
Region 5B Total	18,210	1,827	1,975	1,118	0	9.9%	\$220,044.50	9.51%	\$427,655.41	\$647,699.91
Aleutian Islands East	396	20	339		396					
Aleutian Islands West	811	27	626		811					
Region 6 Total	1,207	47	965	96	1,207	1.7%	\$38,905.60	0.98%	\$44,069.64	\$82,975.25
Bristol Bay Borough	204	15	105		204					
Dillingham	748	82	587		748					
Kodiak Island	2,271	208	1,013		1,136					
Lake and Peninsula	251	20	172		251					
Region 7 Total	3,474	325	1,877	233	2,339	4.0%	\$89,720.18	7.93%	\$356,604.36	\$446,324.54
Nome Census-Area	1,227	113	941		1,227					
Northwest Arctic	904	119	734		904					
Region 8 Total	2,131	232	1,675	266	2,131	3.3%	\$72,718.96	4.31%	\$193,816.49	\$266,535.45
Haines Borough	779	94	117		779					
Juneau Borough	6,311	644	1,413		3,156					
Ketchikan Borough	3,081	378	828		1,540					
Prince of Wales	1,493	114	621		1,493					
Sitka Borough	1,955	288	562		1,955					
Skagway	242	17	20		242					
Hoonah-Angoon	649	57	265		649					
Petersburg	864	85	126		864					
Wrangell	748	84	150		748					
Yakutat Borough	147	19	89		147					
Region 9 Total	16,269	1,780	4,191	614	11,573	17.3%	\$386,581.03	15.71%	\$706,463.36	\$1,093,044.39
Totals	129,908	13,927	33,193	6,961	33,403	100.00%	\$2,228,957.74	100.00%	\$4,496,902.35	\$6,725,860.09
Region 10 Statewide						135 Reg 10	\$135,733.26		\$273,840.65	\$409,573.91
							5.74%		5.74%	

Moving Forward

Identify SPA Advisory Committee Members

Set Meeting Schedule

Senior Needs Assessment

Develop recommendations for Needs Assessment

Approval of Needs Assessment

Distribution and Data Collection

Input Data

Analyze Data

Present Data from Listening Sessions & Needs Assessments

Develop Goals and Objectives

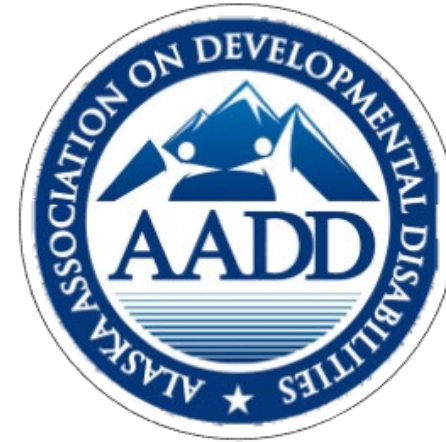
Address Strategies and Performance Outcomes

Funding Formula

Review Current Funding Formula: Census Data, Regions, Definition for various Factors, Assign Weights to Factors, Distribution of Federal and State Funds

Questions?





A SYSTEM IN CRISIS

A presentation to the Alaska Mental Health Trustees

January 24, 2023

Shared Vision



Alaskans share a Vision of a **flexible** system in which each person directs their own support, based on their strengths and abilities, toward a **meaningful life** in their home, their job and their community. Our Vision includes **supported families, professional staff and services available throughout the state now and into the future.**

Statute Reference: AS 47.80.095 and AS 47.80.130(a)

The DD *system* is in crisis

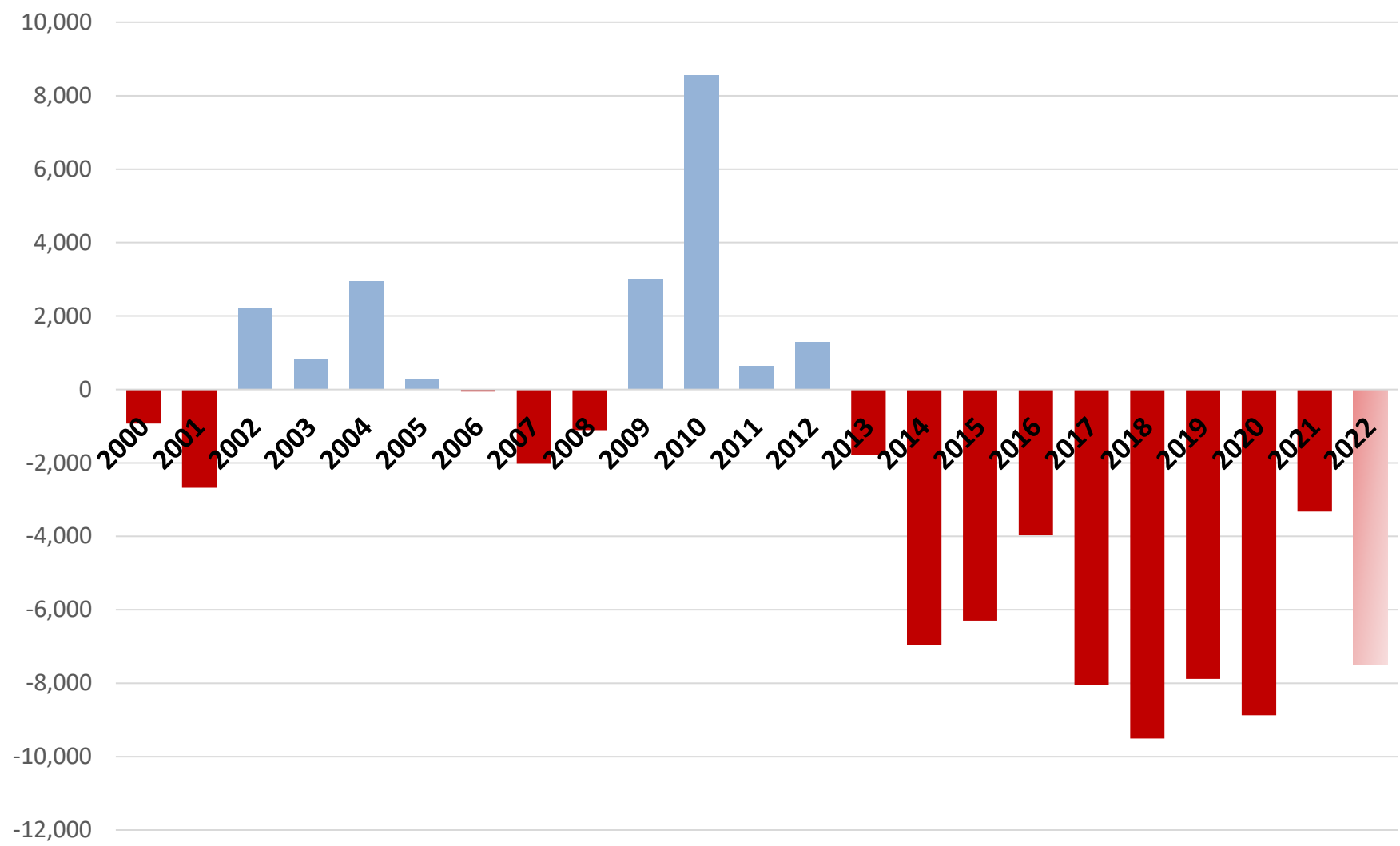
Impact to Trust Beneficiaries

- ✓ Impeding access to Healthcare
- ✓ Deterioration of Economic and Social Well-being
- ✓ Lack of access to Services in the Least Restrictive Environments
- ✓ Barriers to transitioning out of Institutional Settings

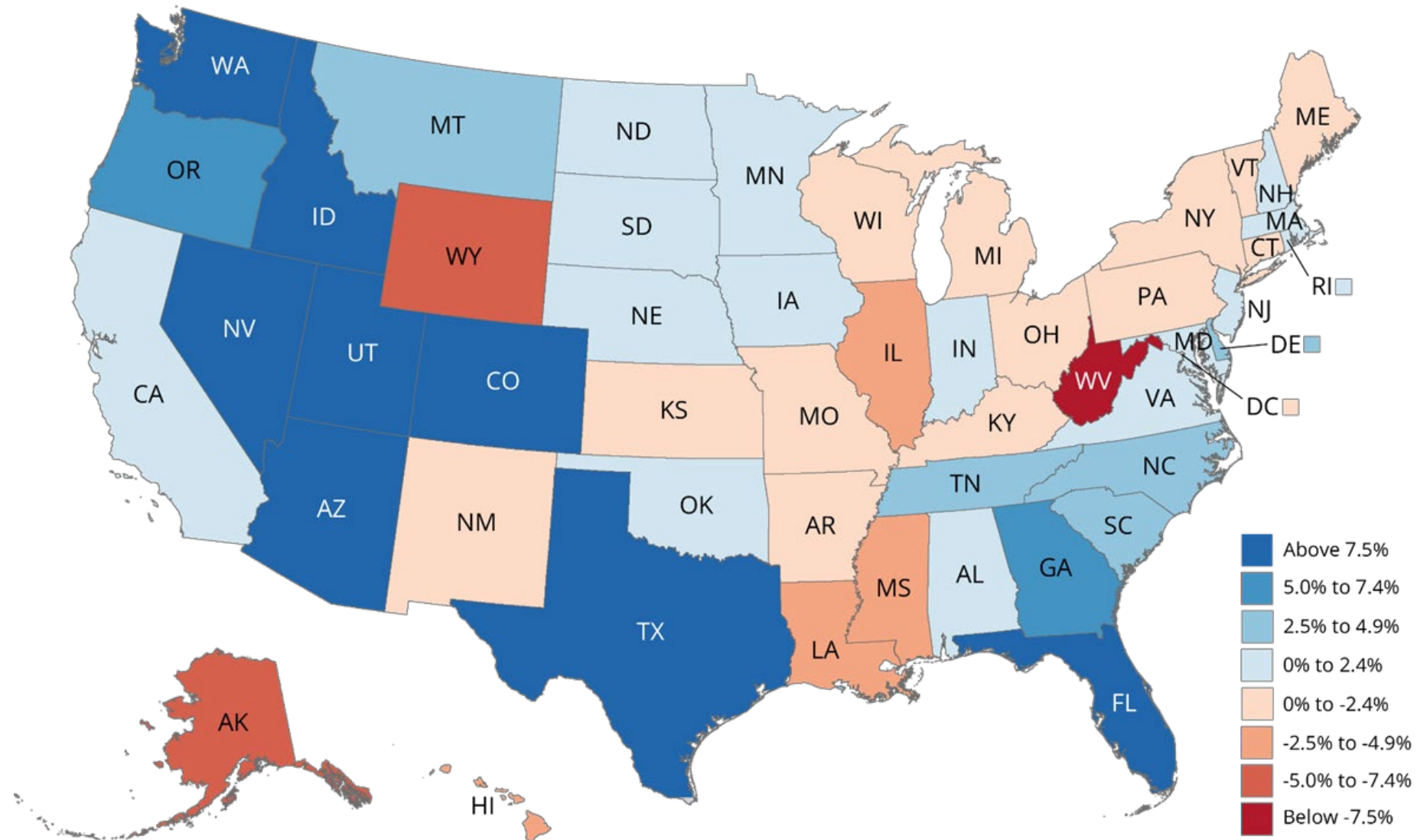
Why?

1. Payment rates do not cover expenses
2. No mechanism to support complex care needs
3. A significant worker shortage is creating a downward spiral

Alaska Net Migration, 2000-2022 (from Alaska Dept. of Labor)



Percentage Change in Working Age (18-64) population 2013-2021



DOJ Report

"Justice Department Finds Alaska Unnecessarily Segregates Children with Behavioral Health Disabilities in Institutions"

INVESTIGATION OF THE STATE OF ALASKA'S BEHAVIORAL HEALTH SYSTEM FOR CHILDREN



United States Department of Justice
Civil Rights Division

December 15, 2022

Factors exacerbating the situation:

1. Alaska's current rate methodology is flawed
 - *Proposed rates do not cover expenses*
2. Service resources are allocated inconsistently
 - *Flat group home rate*
3. No way to compete with wages
 - *Lack of staff = lack of revenue (downward spiral)*

**Alaska Healthcare Spend 2020:
\$9,975 Million***

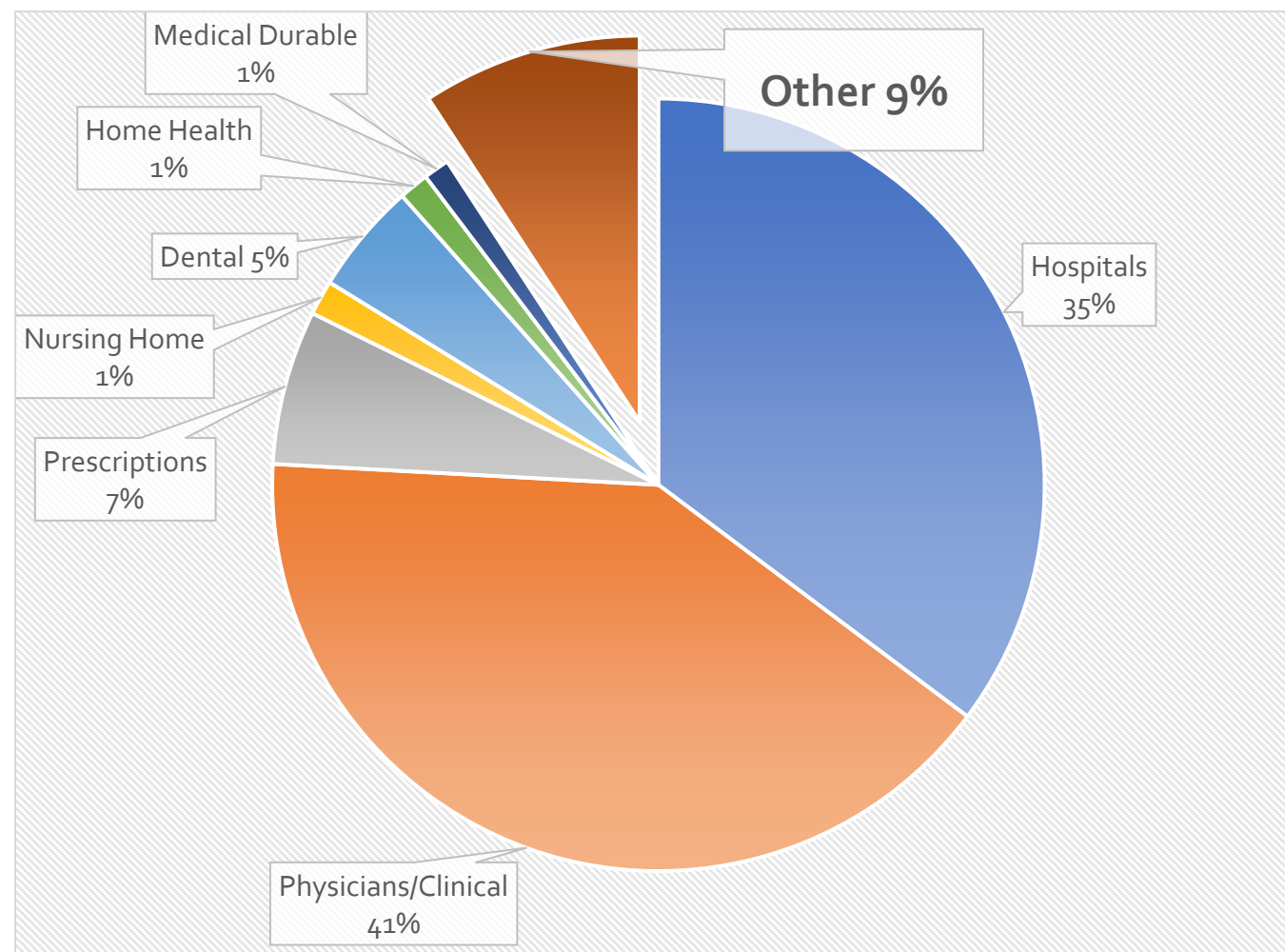
**HCBS Services (FY22):
\$281 Million****

= 2.8% of the total

Other = other health, residential and personal care

*Source: CMS Data release August 12, 2022

** SOA Continuum of Care SFY2022

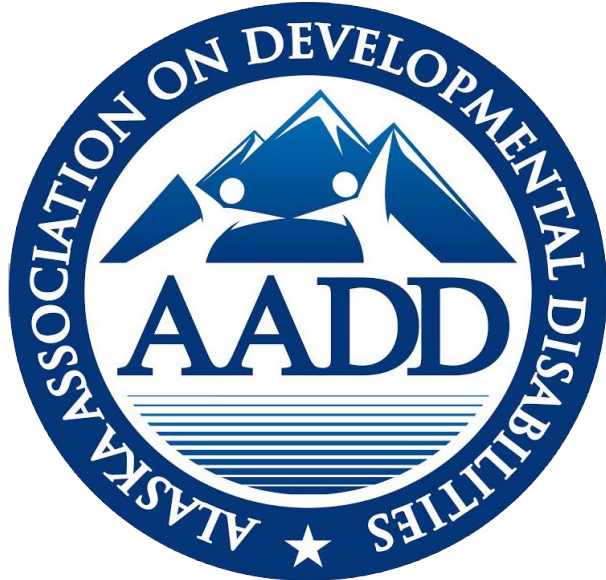


Strategies to stabilize the system

1. Implement the rebased proposed rates WITH revisions based on public comment
2. Redesign the HCBS System
 - Develop a rate methodology
 - Implement a resource allocation tool
3. Add flexible services
 - Technology, participant-directed, paid family caregivers



GOVERNOR'S COUNCIL ON
DISABILITIES AND SPECIAL EDUCATION



THANK YOU.

Patrick Reinhart, GCDSE
patrick.reinhart@alaska.gov

Kim Champney, AADD
director@aaddalaska.org

Additional Documents

To: Anita Halterman, Chair
Through: Steve Williams, Chief Executive Officer
From: Carol Howarth, Chief Financial Officer
Date: January 11, 2023
Re: Audit & Risk Committee Report

Meeting Summary:

Since the last Audit & Risk Committee report there has been one meeting of the Audit & Risk Committee, occurring on January 6, 2023. The meeting was attended via the online WebEx platform by trustees Kevin Fimon (chair), Vernè Boerner, Rhonda Boyles, Anita Halterman, Agnes Moran, and John Sturgeon. Brent Fisher was excused.

Board Actions

The Committee had no recommendations to the Board for action.

AMPS Review

Continuing the quarterly review of elements of the Trust's risk management plan to maintain compliance with the Risk & Audit Committee Charter, Carol Howarth reviewed with trustees the Asset Management Policy Statement's investment criteria for income settlement account funds (budget reserves) and controls for those investments. This included:

- The authority for uses of the funds within the investment categories (defined by statute and policy)
- Where the Board has broadly delegated authority (GeFONSI and APFC-managed funds), and where the board has maintained some active involvement (DOR-managed reserves, commercial real estate investments and Trust Land Office Development Account investments).
- The risk profile of the investments, which are all "moderate" risk except for GeFONSI funds, at "low" risk.
- At minimum, quarterly review of liquid assets and annual review of illiquid assets, with focus on investment time horizon, risk tolerance, asset allocation and performance expectations.

Trustee Training-Role of Fiduciary

Gene Hickey, Senior Attorney General at the Department of Law, reviewed trustees' fiduciary roles, stressing that the board had fiduciary obligations regarding management of both

principal and settlement income funds, regardless of whether or not delegated. Some key points were:

- The fiduciary duty of trustees is to act solely in the interest of Trust beneficiaries.
- Delegation of fiduciary function may be prudent and proper, but responsibility ultimately rests with the trustees.
- Prudent Investor Rule applies to the Trust Authority. Trustees should test decisions against what is done by trustees in a similarly like position.
- No trustee has the expertise to fulfill all fiduciary obligations, thus discretionary powers include the hiring of experts to fulfill the trustee duties. If advice received was reasonable but ultimately bad, trustees' fiduciary duties have not been violated.
- Given the enormous responsibility of trustees, "use the right tools for the right job," and "when in doubt, ask."
- Questions from trustees and discussion points centered around:
 - The distinction between fiduciary obligations (falling within policy) and processes and procedures (falling within regulations).
 - Trustee authority to control the use of funds, including transfers to general fund (which is unlikely due to beneficiary needs).
 - Clarity on use of funds for the sole benefit of beneficiaries (a "reasonableness standard" applies).
 - The distinction between impartiality and equal treatment (distinct, but there is no bright line. Trustees look at all factors with reasonable care).

Trustee Fimon closed the discussion expressing appreciation for the valuable presentation and noting the importance of relying on others and asking questions to ensure actions are in the best interest of beneficiaries.

The next scheduled meeting of the Audit & Risk Committee is **April 19, 2023**.

To: Anita Halterman, Chair
Through: Steve Williams, Chief Executive Officer
From: Carol Howarth, Chief Financial Officer
Date: January 12, 2023
Re: Finance Committee Report

Meeting Summary

There has been one meeting of the Finance Committee since the last board report. It occurred on January 6, 2023. The meeting was attended via the WebEx platform by Anita Halterman (acting chair), Vernè Boerner, Rhonda Boyles, Kevin Fimon, Agnes Moran, and John Sturgeon. Agnes Moran was excused for part of the meeting. Brent Fisher was excused from the meeting.

Board Actions

There were no committee recommendations for board action.

CEO Report

Steve Williams, CEO, addressed a question from Trustee Moran asked during the Program & Planning Committee meeting regarding federal funds potentially coming to Alaska. Steve noted that over \$30MM is targeted towards health care and wellness access. He expressed appreciation for Senator Murkowski's work and reflected on how collaborative work on issues with solutions can promote change and improve lives. He highlighted a December \$1.6MM transfer of Trust Land Office (TLO) principal income to the Trust principal account, bringing the corpus up to \$534.6MM. He also foreshadowed Finance Committee topics noting that purchasing power of the Trust corpus is maintained and that there was no surplus in the Income Settlement Account for transfer to the State's general fund. These topics are visited at least annually and are important topics for Trust staff.

Trustee Halterman asked about the process for working to restore the trustees' GF/MH recommendations in the FY2024 state budget. Steve expressed that the Governor sets the policy and direction for departments, and the Trust was fortunate that department leadership is strong and has a good understanding of Trust priorities.

Commercial Real Estate (CRE)

Steve Williams updated the committee on the CRE Work Group's progress on developing a policy document. A draft document, reviewed late December, has four content areas: investment characteristics, hold-sell analysis metrics, the process for putting a sale recommendation in action, and the policy for reinvestment. The next steps are to cross reference against policies, governing documents and LLC agreements to identify where

changes may need to be made; further thinking on net sales proceeds; and perhaps getting legal advice. The objective is bring to trustees a guiding framework that allows flexibility, and then outline operational steps to put the policy into action. The policy refinement and cross referencing with existing guidelines is being done in lockstep.

Financial Dashboard

Kat Roch, Budget Controller, presented the financial summary through November, 2022. Due to the early January meeting, December reports were not available. Expectations were that agency expenditures, grant awards, planned capital projects and TLO revenue would remain on plan. Earnings through November on Alaska Permanent Fund Corporation (APFC)-managed investments were \$17.8MM and DOR-managed budget reserves generated \$2.2MM. However, due to high market volatility, it was not reasonable to forecast full-year performance. Commercial real estate portfolio was at plan, with occupancy at the 1Q23 level of 91.4%, and some upcoming tenant improvements (earlier approved by trustees) would draw from potential distributions. As of November, the Trust's available reserves were 382%, 18 percentage points below the 400% target.

Inflation Proofing Update

Carol Howarth, CFO, provided the Staff's recommendation to make no permanent transfer from earnings to the corpus for FY2022. The following reasons were cited: first, as advised by Callan, permanent transfers of earnings to principal do not follow what is now standard endowment management practice for ensuring purchasing power. That is via asset allocation and spending policy. Second, while trustees could transfer an amount necessary to true-up the fund, the \$70MM required at year-end FY2022 is not available from liquid spendable reserves: as of November, the reserves were below the 400% target. Carol expressed confidence that from an endowment perspective, the Trust's \$834MM in financial assets were aligned with providing ongoing support to future beneficiaries. Also, from a statutory income perspective, the principal account—with the corpus and unrealized gains on the corpus at \$602.6MM—was essentially equal to a fully inflation proofed corpus (at \$601.8MM). She noted the high inflation had a negative impact on both Trust beneficiaries and the Trust. Expectations were that inflation would persist above 2% into FY25. Indications were that the Trust's policies would continue to allow for the 4.25% payout. Trust staff would continue to monitor inflation and keep trustees advised of potential impact.

Trustee Halterman commented on her respect for trustee interest in making transfers to the corpus, and balanced that view with the additional knowledge trustees have gained on inflation proofing practices, stating transfers need to be carefully weighed to ensure that spendable income was available in down markets.

Trust Settlement Income Account Fund Sufficiency

Carol Howarth, CFO, reviewed with trustees the Trust's determination of whether or not the Trust had surplus funds. It was acknowledged by trustees in the meeting that it was not expected for the Trust to ever have a surplus. However, the Legislative Audit's recommendation to have a formal policy was appreciated and the Staff presented methodology

to address two questions: did the Trust have sufficient cash to support current needs, and were the Trust's assets sufficient to generate enough earnings to equitably support current and future beneficiary needs. The procedures were defined. The answer to these questions moving into FY2023 was yes, but that there was no excess for transfer to the State of Alaska's general fund. Trustee Fimon expressed care should be taken to prevent misinterpretation of the results, particularly given the Trust's flexibility for inflation proofing.

Carol noted policy was established by statute that the board's determination of fund sufficiency be communicated with the annual budget transmittal letter. If desired, policy could be further clarified within the Trust's Asset Management Policy Statement (AMPS). Trustee Boyles recommended a review of the AMPS, and discussion followed that this was warranted given current policy reviews.

The next scheduled meeting of the Finance Committee is **April 19, 2023**.