

# **API Summit**

**October 21, 2000**

**9:00 a.m. to 12:30 p.m.**

**University of Alaska Anchorage**

**Arts Building**

**Room 150**

**for additional information call Representative Sharon Cissna's Office : 269-0190,  
Fax: 269-0193**

# The History of API 2000

**1950s** Original Mental Health Lands Trust established.

**1958** Planning and design started for current API facility.

- Although intended to serve as a psychiatric hospital API was designed as an acute care hospital, not a hospital for the mentally ill.

**1962** Current API facility completed.

- During construction, API was “fireproofed” with sprayed-on asbestos.

**1964** Earthquake; facility experienced some structural damage.

**1980’s** State population growth causes severe overcrowding at API.

**1982** Consultant recommends enlarging API and building a separate 40-80 bed children’s facility.

**1984** Consultant hired to process Certificate of Need (CON) for facility.

- Recommends against a separate children’s hospital.
- Starts process to do a needs assessment for all patient groups at API; estimate of bed need varies from 54-250.

**1986** State concentrates on developing community-based services, including wraparound non-hospital services for children - the Alaska Youth Initiative (AYI) Program. API’s bed needs reduced from 250 to approximately 120.

**1989** Aging mechanical, plumbing, and electrical systems present significant problems. Repair efforts reveal facility to be permeated with friable asbestos (i.e., the sprayed-on asbestos has dropped off the beams and interior structures and fallen on to ceiling tiles and down between the room walls.)

**1989** Decision made to replace API based on engineering reports.

**1990** New Governor elected.

- New Administration re-examines plan to replace API; after several months of study, agrees to continue replacement process.

**1991** Legislature appropriates \$4.1 million to plan for a replacement.

**1991** API replacement planning undertaken.

- API capacity needs reviewed by consultants;
- Public planning and programming effort undertaken involving mental health advocates, consultants, and the neighborhood;
- Alternative State-owned sites are studied for suitability for a new API; the current site is chosen.

**1992** Public planning process results in the “Alyeska Accord” an agreement among mental health advocates establishing a maximum capacity of 114 beds for the new API.

**1992** Alaska Legislature appropriates additional \$1 million for design.

**1993** Alternatives for funding the hospital are developed; studies indicate that 30% of then current API admissions could be served in community-based programs or in “designated” beds in local community hospitals.

**1993** April - Certificate of Need (CON) application is submitted and a public meeting is held on the master plan for the 114 beds;

August - CON issued for a 114-bed hospital at a planned maximum expenditure of \$65.0 million.

**1993** Several studies are completed that are critical to the final plan and design for the new API, including a report on the “Fate of Old API,” which ultimately results in the decision to demolish the current facility.

**1993** The “Fate of Old API” report states there is over \$9.0 million in immediate major maintenance/renovations required at API .

**1993** Legislature appropriates \$1.0 million to continue the project.

**1994** Schematic design completed for the 114 bed facility; several reports finalized on debt financing, community-based services, staffing, and geriatric services.

**1994** Legislature authorizes a final \$22.8 million from federal funds to the API 2000 Project.

- Intent language in the appropriation stated that the new API could not exceed 72 beds or exceed a total cost of “not more than \$28,961,922” (the total amount appropriated since 1990);
- DHSS left with a plan and design that would cost \$65.0 million to implement, but a total appropriation of only \$29 million.

**1994** Mental Health Land Trust Settlement passed and signed into law.

**1994** The 80-acre state land parcel that API and MYC occupy is transferred to the newly formed Alaska Mental Health Trust Authority.

**1992** The Legislative intent is inconsistent with plans for 114- bed facility, since less than half of the needed funds were appropriated; decision on how to proceed must be made by new Administration.

**1994** November, new Governor elected.

**1995** New Administration briefed on API issues;

- DOTPF puts forth a plan in March to build a 72-bed hospital;
- Plan utilizes significant portions of Old API, and includes leaving the adolescent and adult secure (forensic) patient populations in Old API, along with staff support functions.

*Important Note: from this point forward, every option that included building on the existing site required the use of the existing boiler plant, maintenance shops, and supply functions of the existing structure.*

**1995** March - DHSS explores limiting API to 72 beds and design alternatives to live within the \$28.9 million budget.

**1995** May - Legislature completes the “Reum” report, which finds, despite the various problems, that the State should go forward with its plan for a new hospital.

**1995** July - all members of the API steering committee (a group formed to advise DHSS on API 2000 issues whose members are: 2 DHSS, 1 API, 1 Department of Corrections representative, 3 consumers from Anchorage, 1 Anchorage provider, and a representative from the AMHB) and the Commissioner of DHSS agree to support a 72-bed facility and request a re-design of the current building design to live within the funds available.

**1995** July - the Steering Committee determines that asbestos hazard is too great to allow long term use of Old API to house patients or staff; the plan to continue use of Old API to house some patients and staff is abandoned; the Committee requests that the re-design also take this decision into account.

**1995** October - the DOTPF and contract architect/engineering firm complete a re-design.

- Day/treatment rooms and other key spaces reduced in order to accommodate more beds and staff space;
- Estimators state that the new design can be completed within the funds available due to expected favorable bid climate.

**1995** December- in an effort to expedite the bid process, so as to not miss the next construction season, structural steel & the elevator were put out to bid.

**1996** The API re-design, called the “Camel Plan,” is put out to bid at 72 beds.

**1996** May- Bids for the re-designed API come in \$21.2 million (including demolition) over funds available to complete the project, including: the base bid, facility cooling system, utilities, phone and communications, maintenance area, and demolition of the old facility.

**1996** DHSS explores the option of building only the number of beds that can be built within the current funds available (estimated at 44 beds).

**1997** January - A report on the “Cost of Inpatient Care & Community Options” completed.

- Report indicates feasibility of reducing capacity of API from 79 to 54 beds if necessary community services are in place.

**1997** The DHSS Commissioner decides to proceed with development of a new API at a 54-bed capacity with expansion to 72 beds.

**1997** In the fall, a comprehensive implementation plan is developed to enhance community services in Anchorage so that a replacement for API can safely operate with a reduced, 54-bed capacity.

**1997** Alaska Mental Health Trust Authority due diligence study concurs that API should be replaced and reiterates that the facility has a useful life of three to five years.

**1997/98** Three alternatives are developed to replace API.

**1998** January - a Request for Letters of Interest is advertised to explore feasibility of one option - potential purchase of an existing hospital facility in Anchorage. Charter North Hospital is the only respondent.

**1998** Spring - Legislature changes the title of the original API 2000 Project appropriation to allow for “purchase” of a facility in addition to construction of a new hospital (ch. 139, SLA 1998)

**1998** In the fall, DHSS secures a three-year, \$5 million per year federal grant to develop community mental health services in Anchorage necessary for success of a smaller hospital.

**1998** December 4 - DHSS publishes a notice of proposed action in newspapers across the state stating DHSS intent to pursue the three options.

**1998** December 9 - Community Forum held at the Egan Center to receive public input on the three options:

Option #1: Build a replacement facility on existing site  
(west side of current parcel; requiring additional \$32 million)

Option #2: Purchase an existing hospital (only Charter North had responded to the RFI).

Option #3: Partner with Providence Hospital (proposal was withdrawn.)

Consensus from Consumers is that Option 2 is preferable to Option 1

**1999** January - DHSS develops a budget outlining a proposal to build on the existing site; Legislature takes no action.

**1999** Contract proceeds for an appraisal of Charter North Hospital.

**1999** January - DHSS begins working with the Anchorage Planning & Zoning staff on process and requirements for local approvals to implement Charter North purchase.

- Anchorage P&Z advises DHSS that only a site selection process is required.

**1999** February - DHSS begins work with Airport Heights Community Council.

**1999** Spring - DHSS begins negotiations with Charter North toward a purchase and sales agreement.

**1999** May - the Airport Heights Community Council passes a resolution accepting the State’s purchase of Charter, conditioned on concessions from the State concerning the operation of API in the Charter North facility.

**1999** Throughout the summer and fall, negotiations between the State and Charter North continue.

**1999** Work continues all year to develop the community mental health services in Anchorage necessary to reduce the number of beds needed at API.

**2000** February - Charter Corporation announces it is filing for bankruptcy.

- Negotiations between the State & Charter North delayed due to the bankruptcy issues.

**2000** In the spring, a motion is made at an Airport Heights Community Council meeting to rescind the Council's May 1999 resolution concerning the Charter purchase; the motion fails.

**2000** Efforts continue to develop community services needed in Anchorage to allow safe operation of API at reduced capacity.

**2000** June 30 - the API 2000 Project has expended to date \$1,900,000 in planning/programming, \$4,887,000 in design and \$2,663,600 for "hard" construction costs (i.e., for the new site access road, utilities, elevator and structural steel).

**2000** August 10 - DHSS announces that an agreement has been reached to purchase Charter North Hospital for \$11.7 million.

**2000** August 14 - the Anchorage Planning & Zoning votes unanimously to deny the approval of the State's application to relocate API onto the Charter North site.

**2000** September 11 - the Anchorage Planning & Zoning adopts a formal resolution outlining the rationale for denying approval of the site.

**2000** October 9 - the State receives a copy of an opinion from the Anchorage Municipal Attorney's Office stating that a hospital is not a permitted use in a B-3 zone, but that a hospital that "provides services to persons in official custody" is not a correctional institution.

**2000** October 19 - DHSS Commissioner announces that the State will submit to local requirements including rezoning.

# **Following are documents relating to API from:**

**The State of Alaska API Replacement Fact Sheet**

**The Concerned Citizens group that formed in Airport Heights in response to the proposed API to move to Charter North**

**The Alaska State Legislative appropriations to API maintenance and proposed options to move/build a new facility**

**The Municipality of Anchorage Planning & Zoning Commission**

*Additional background was made available by the State of Alaska, but because of its length, that material is available in hardcopy at the API Summit, or from Representative Sharon Cissna's office at 716 West 4th Avenue, Suite 330, Voice Phone: 269-0190, Fax: 269-0193.*

### **1. Why API Must be Replaced?**

- ✓ The API building is nearly forty years old and will soon be unusable without major renovation.
- ✓ The building is full of asbestos making needed maintenance and renovation prohibitively expensive because of costly hazardous-material abatement.
- ✓ Independent studies demonstrate that remodeling for any purpose is not cost effective.

### **2. Why Relocate API at the Charter North Hospital Facility?**

- ✓ A lengthy planning and design process was conducted ('91 – '94) and legislative decisions were made on funding ('94) for a replacement facility.
- ✓ A 1996 bid process showed that available funding was insufficient to construct the facility as designed and would not permit the building of a new 72 bed hospital.
- ✓ A 1997 analysis of costs and programmatic issues indicated a smaller hospital could be feasible if enhanced mental health services were provided to prevent the need for some patients to be hospitalized.
- ✓ The DHSS Commissioner decided to proceed with developing a new API at a 54 bed capacity.
- ✓ In 1997 a plan was developed that detailed the array of new and enhanced community mental health services needed in Anchorage to allow API to operate at a 54 bed capacity.
- ✓ During late '97 and '98 three proposals were developed around options to replace API with a smaller facility:

Option #1: Build a replacement hospital on the existing API site

Option #2: Purchase an existing hospital and remodel to meet API's needs

Option #3: Partner with Providence to build a jointly operated community mental health facility that included a land swap with the UAA

- ✓ A request was published in newspapers and information sent to hospitals to determine if any Anchorage hospital was willing to sell its building to the State. Charter responded to this request.
- ✓ In December 1998, a community forum was held at the Egan Center at which the 3 options for replacing API and the new or enhanced community services needed were discussed.
- ✓ Based on the input from that meeting, DHSS began negotiations to purchase Charter's hospital.
- ✓ Work also began on developing the community services needed to operate with a smaller hospital.
- ✓ Purchase of Charter (Option #2) is being pursued because:
  - ⇒ The Charter North facility can be purchased & remodeled the within available funds.
  - ⇒ It was preferred by consumers, advocates, and community members at public forums.
  - ⇒ Charter is already a psychiatric hospital serving many of the same patient populations.
  - ⇒ Option #1 cannot be accomplished with available funding.
  - ⇒ Option #3 could not be implemented because the land swap agreement with University could not be negotiated and available funds are insufficient.

### **3. Why Will A Smaller API Work?**

- ✓ Improvements in mental health treatment, including rapid development of new medications, make it possible to treat more people in outpatient settings without hospital admissions.
- ✓ New and enhanced services are being developed with community providers in Anchorage to reduce the need for hospitalization at API, including: improved emergency response and assessment, enhanced crisis respite/treatment, enhanced detoxification services, and residential treatment for persons with co-occurring (psychiatric and substance abuse) disorders.
- ✓ Housing and support services have already made it possible for 6 former long-term API patients to successfully transition out of hospital care, permanently reducing the need for capacity at API from 79 beds to 74 beds.
- ✓ Additional community services such as 24-hour community treatment teams, supported housing, and intensive case management services are being explored.



- ✓ 1,350 total admissions representing 1,048 persons in FY 99 (1,480 in FY00)
- ✓ 44% of persons admitted to API were for the very first time.
- ✓ 65% were persons living in Anchorage.
- ✓ 36% were in API less than 3 days (18% less than 1 day)
- ✓ 4.8% (65) admissions were to the secure forensic unit

#### **6. How Much Space will API Need for Building & Land?**

- ✓ Charter, in its current footprint, is licensed for 74 beds. API is currently a 74 bed hospital.
- ✓ API will operate at 54 beds within the Charter building.
- ✓ The Department (DHSS), in partnership with the Mental Health Trust Authority, is seeking additional property around Charter:
  - ⇒ At the request of the Airport Heights Community Council in its May 20, 1999 resolution;
  - ⇒ For green space around the building for privacy;
  - ⇒ To permit some changes in the entry drive from the road (DeBarr);
  - ⇒ This land will be State land not Trust land in the long term.
- ✓ When Charter was built, it was built to allow a 30-bed expansion. Any expansion would have to be at the same height and would be located on the NE side of the facility ("the bank side").

#### **7. What Will API Look Like on the New Site?**

- ✓ The building footprint will not be changed during the remodel.
- ✓ API has made the commitment to work with the Airport Heights Community Council on a landscaping plan that would:
  - ⇒ Provide privacy for both API and the community;
  - ⇒ Ensure that the safety and security concerns of the community are addressed;
  - ⇒ Ensure that landscaping and security upgrades are as visibly pleasing as possible;
  - ⇒ Keep visibility and noise from the road to a minimum yet blend into the surrounding environment;
- ✓ While fencing is not always pleasing, the top third will have security mesh that is not as visible.

#### **8. Partners:**

- ✓ Throughout this process DHSS has had an active partnership on the planning and funding of this effort. These partners include:
  - ⇒ Alaska Mental Health Trust Authority
  - ⇒ Alaska Mental Health Board
  - ⇒ Advisory Board on Alcoholism and Drug Abuse
- ✓ In addition, DHSS has worked with the many of the mental health consumer and provider groups in Anchorage and statewide. Groups like National Alliance for the Mentally Ill (NAMI) Alaska & Mental Health Consumers of Alaska
- ✓ The Trust is working with the Airports Heights Community Council to return land to the Municipality of Anchorage to add to the existing Tikishla Park.
- ✓ DHSS has worked with Senator Stevens and federal agencies to secure funding to develop the new community services.

#### **9. Next Steps:**

- ✓ Work to close on the Purchase of the Charter North facility as expeditiously as possible.
- ✓ In response to the Municipality's legal opinion, apply to Anchorage P&Z Commission for a rezone
- ✓ Continued implementation of the community services continues.

### CONCERNED CITIZENS' PLATFORM

1. We oppose the siting of Alaska Psychiatric Institute (API) next to the Airport Heights Elementary School playground, within three well established neighborhoods, adjacent to two churches, and within close proximity to day care centers.
2. We believe the public notification process has been flawed.
3. We believe information has been withheld from the public, and that baseline information is essential for the residents of the affected neighborhoods to better understand the potential impacts of API on our area.
4. We believe the Charter North Hospital site will place API patients in a "fishbowl" setting that will be detrimental to their well being.
5. We believe the investment of \$19 million into a 17-year-old facility requiring renovations and the addition of security fencing and other features will be cost prohibitive in the long run.
6. We believe Option 1 (building on the existing grounds), or Option 3 (the proposed land swap with the University and/or Providence) is far more desirable than moving into Charter North.
7. We believe a positive, in depth, fact finding investigation should be started immediately to better ascertain what avenues are available to our neighborhoods as well as API.
8. We believe the Community Council Resolution of May 20, 1999, should be rescinded at this time. We recognize a great deal of work has gone into the resolution, and that it may NOT be in the best interests of the area to rescind it in total. Therefore, we would suggest as an alternative that the resolution be brought back before the Community Council for RECONSIDERATION at the May 2000 meeting after the proposed investigations have been completed.
9. Assurances made by API can only apply to the here and now. Legislatures change, laws change, economic hardships force new thinking, and therefore, with all good intentions, what is said today cannot be guaranteed for next year, next week, or even tomorrow.

Points of Contact: Elaine Pratt  
272-3372  
274-1056

Pamela Robarge  
258-5785

---

# Alaska Psychiatric Institute Capital Appropriations FY84-01

FY	Project Title	Fund Source	Appropriation
84	API Expansion	GF	118,000
86	Alaska Psychiatric Institute Children's Wing Renovation	GF	250,000
87	Alaska Psychiatric Institute Health/Safety Improvements	GF	800,000
89	API Renovation/Repair	MHTIA	500,000
91	Alaska Psychiatric Institute Interim Repairs	MHTIA	1,809,000
92	Alaska Psychiatric Institute Interim Repairs	MHTIA	850,000
92	Alaska Psychiatric Institute Replacement-Design And Schematics	MHTIA	4,100,000
93	Alaska Psychiatric Institute Building Replacement	MHTIA	1,000,000
93	Alaska Psychiatric Institute Interim Repairs	MHTIA	1,000,000
94	Alaska Psychiatric Institute - API 2000 Site/Design	MHTIA	1,000,000
94	Alaska Psychiatric Institute - Hospital Information System	MHTIA	222,500
94	Alaska Psychiatric Institute Repairs/Renovations	MHTIA	300,000
95	Alaska Psychiatric Institute Stop Gap Repair	MHTIA	400,000
99	Stop-Gap Repairs at Alaska Psychiatric Institute	GF/MH	175,000
2000	API 2000 - Facility Replacement	FED	7,000,000
2000	API 2000 - Facility Replacement	MHTAAR	2,000,000
2000	API Stop - Gap Repairs	MHTAAR	225,000
2001	Alaska Psychiatric Institute 2000: Replacement of Existing Facility	MHTAAR	1,000,000
2001	Alaska Psychiatric Institute Stop-Gap Repairs	MHTAAR	225,000
2001	Alaska Psychiatric Institute Stop-Gap Repairs	AHFC Bonds	154,500
			<b>\$ 23,129,000</b>

The following list is not specific to API but is specific to H&SS and therefore might include API.

87	Department Of Health And Social Services Renovation/Repair And Equipment	GF	750,000
88	DHSS Main/Repair/Replacement	GF	900,000
90	Facilities Renovation, Repair And Equipment Replacement	GF	400,000
91	Statewide Maintenance/Repair/Renovation/Equipment Replacement	GF	800,000
92	DHSS Renovation, Repair And Deferred Maintenance	GF	1,200,000
92	Main Roof Replacement	GF	735,000
93	Renovation, Repair, Equipment And Deferred Maintenance	GF	1,200,000
94	General Renovation, Repair, Equipment and Deferred Maintenance	FED	250,000
94	General Renovation, Repair, Equipment and Deferred Maintenance	GF	750,000
95	Renovation/Repair/Equipment	FED	77,800
95	Renovation/Repair/Equipment	GF/Match	700,000
96	Statewide Renovation, Repair and Equipment	FED	250,000
96	Statewide Renovation, Repair and Equipment	GF/Match	1,015,000
96	Statewide Renovation, Repair and Equipment	GF/MH	225,000
97	Competitive Grants for Remodeling/Renovation of Mental Health Facilities	MHTAAR	250,000
98	Deferred Maintenance, Renewal, Replacement and Equipment	FED	243,600
98	Deferred Maintenance, Renewal, Replacement and Equipment	GF/Match	750,000
2000	Program Facilities Deferred Maintenance and Americans with Disabilities Act Upgrades	GF/MH	250,000
2000	Program Facilities Deferred Maintenance and Americans with Disabilities Act Upgrades	MHTAAR	250,000
			<b>\$ 10,996,400</b>

# MUNICIPALITY OF ANCHORAGE

**G.1.**

## MEMORANDUM

---

**DATE:** August 14, 2000

**TO:** Planning and Zoning Commission

**THRU:** *SR* Susan R. Fison, Acting Director  
Department of Community Planning and Development

**THRU:** *TN* Tom Nelson, Acting Manager, Physical Planning Division

**FROM:** Physical Planning Division Staff

**SUBJECT:** Public Facility Site Selection – Alaska Psychiatric Institute (Case 2000-052)

### Purpose of Review

The Planning and Zoning Commission is being asked to review the attached report from the State of Alaska and to approve the selection of a site for a new Alaska Psychiatric Institute hospital.

### Summary of Site Selection Report

The State of Alaska, Department of Health and Social Services has identified the need for a new Alaska Psychiatric Institute hospital to replace the existing hospital located on Providence Drive. According to the petitioner's application, the existing hospital building is nearing the end of its useful life.

In 1995, the State obtained approval of an amendment to a defacto conditional use for construction of a replacement API hospital and support facilities on the same site as the existing hospital (approximately 40 acres of an 80-acre tract owned by the Mental Lands Trust). At that time, the plans called for a 114-bed hospital with possible expansion to 172 beds. Due to subsequent funding reductions, this plan was scaled back to 72 beds. When this latter plan was put out to bid, all bids came in higher than the available construction budget and the State began to evaluate other options. These options included a possible partnership with Providence Hospital to construct and operate a new hospital adjacent to Providence Hospital, and the possible purchase of an existing hospital that could be converted to meet API's needs. A request for information was distributed to hospital facilities with only Charter North responding.

The State's report lists the above three options as follows:

- Option #1: construction of a new hospital on the existing site;
- Option #2 purchase of the existing Charter North hospital; and,
- Option #3: construction of a new hospital immediately adjacent to Providence Hospital.

As explained in the report, Option #1 represents a default option with which to compare other options, especially with respect to costs. According to information from the petitioner, the Mental Health Trust would allow only five acres of the current site for a replacement API hospital. This option would require a revised set of building plans to fit a smaller site and to meet budget limitations.

Option #2, purchase of the existing Charter North Hospital, is the State's preferred site. Although all of costs for this option (i.e., purchase of current facility and site, proposed acquisition of up to six adjoining lots, construction of a 15,000 square foot addition, site improvements and landscaping) have not been provided, the State indicates that this option can be met through an existing appropriation (approximately \$19.5 million). The existing Charter North Hospital site consists of two lots totaling 3.6 acres. If six adjoining parcels were added, the total site would comprise approximately 13.8 acres. According to the petitioner, purchase options are currently held on four adjoining parcels. If these four parcels were added to the existing Charter North Hospital site, the total site would be 9.7 acres.

Option #3 (near Providence Hospital) was dropped when Providence Hospital failed to submit a proposal midway through the State's site evaluation process.

In addition to the stated options, it is important to note that the Mental Health Trust owns at least one other site that could have been considered for a new hospital. According to Mental Health Trust staff, the current API Hospital does not pay land rent for their current site and would not likely be charged such rent for a replacement hospital elsewhere on the 80-acre tract or on other Mental Health Trust lands. The primary factor in the State's evaluation process has not been a lack of potential sites, but a limited amount of funds available to build or renovate a replacement hospital.

In addition to acquisition and development costs, the only other selection criterion mentioned in the State's report is the need to locate the API replacement hospital near a general medical/surgical hospital. All of the listed options are located near a general hospital.

## Site Selection Standards of AMC 21.15.015

### A. Required information

According to AMC 21.15.015.B, the agency proposing a site selection shall submit information regarding the evaluation of alternative sites or an explanation why no alternative sites were considered. Information has been provided that meets these basic requirements.

The State's application describes three optional sites, but only one site (Option #2) can be acquired and developed within the State's allocated budget for this project. Option #1, although described as a "default option", cannot be built with available funds. This was already determined through the construction bidding process. However, the project being bid on in Option #1 was the "camel plan" facility that would have cost approximately \$50 million. According to the petitioner, the construction of a facility similar to Charter North Hospital (smaller footprint, multi-story) would likely cost approximately \$28 million. This cost still exceeds the available budget. As indicated above, Option #3 was dropped when Providence Hospital withdrew its proposal.

### B. Consistency with goals, policies and land use designations of comprehensive development plan and other municipal plans

The *Anchorage Bowl Comprehensive Development Plan* designates the Charter North site for commercial development and the current API site for institutional use. Either designation is in conformance with the plan. For sake of comparison, the three general hospitals in the Anchorage Bowl are also located in areas designated by the plan either for commercial or institutional use.

The draft *Universities & Medical District Framework Master Plan* recommends relocation of the API Hospital away from its current site to allow further development of the UAA campus core area. Although this plan has yet to be reviewed by the Planning and Zoning Commission or the Anchorage Assembly, both major alternatives in the plan favor moving both API and the McLaughlin Youth Center from the 80-acre parcel owned by the Mental Health Trust.

C. Conformity to Title 21 requirements

Zoning of the Charter North site is B-3 SL. Charter North, as a private enterprise, has operated as a conforming use under the current zoning since it was constructed in 1983.

If the Charter North site is used by API, a change in zoning on the site will be required. API is not a business enterprise but a governmental institution which provides a public service. For API to operate at this site, a change in zoning to PLI (Public Lands and Institutions) will be required, as well as a conditional use.

Zoning of the existing API Hospital site is PLI. Hospitals are a conditional use in the PLI district. The State's current API site is a defacto conditional use and any proposed change in building location would require an amendment to the conditional use.

D. Effects of the proposal on the area surrounding the site

*Charter North Site (Option #2)*

The State's preferred site, Charter North Hospital, is located on the south side of DeBarr Road, east of Lake Otis Boulevard. The site adjoins the Airport Heights Elementary School, and is located north of the City View Subdivision and 16<sup>th</sup> Avenue, separated from the subdivision by vacant lots of the Town Square Subdivision. North of the Charter North site, across DeBarr Road, is a parking area for Alaska Regional Hospital.

The Airport Heights Elementary School and adjoining neighborhood are located at the top of a bluff area approximately 25 feet higher in elevation than the Charter North site. The bluff area is fairly heavily vegetated, although there are clear views of the Charter North building and grounds from the western portion of the elementary school site and in gaps in the vegetation along the north side of 16<sup>th</sup> Avenue.

Charter North Hospital has been at this site for approximately sixteen years. The proposed API Hospital at this site would not change an established land use but would heighten the level of security required within the building and grounds. Charter North Hospital is not a locked facility and patient admissions are voluntary. This is in contrast to API's locked facility and involuntary admissions.

Following are issues raised primarily by neighborhood residents concerning the potential impacts of a proposed API Hospital at the Charter North site.

# **Site Selection Report**

## **(Executive Summary)**



## 1.0 EXECUTIVE SUMMARY

Existing Alaska Psychiatric Institute was originally constructed in 1962 and as a medical hospital. As such, it was not designed to serve as a psychiatric facility, and has been modified on a limited basis to make due.

The Alaska Psychiatric Institute Health and Safety Risk Management Report consisted of three volumes with 538 pages was completed in the early 1980's. The report indicated the structure has reached its serviceable life, and is in need of significant system replacements or upgrades to continue in use. Performing the replacement or upgrade work has a "cascade effect". Due to the age of the original building, remodels would force Alaska Psychiatric Institute to deal with the asbestos and bring the building up to current building codes. The costs associated with this is prohibitive.

It is important to find a appropriate, well located (near full-service medical facility adjacent to compatible uses) cost effective, timely, and implementable alternative facility for Alaska Psychiatric Institute and these issues have focused the efforts of the site/facility selection process.

The selection of the Charter North Facility, in the context of the key issues, is the most appropriate and our recommendation.

## **2.0 INTRODUCTION**

Alaska Psychiatric Institute (API) is currently located in a 137,000 square foot structure located on 80 acres within the University area complex on Providence Drive. The existing structure has many problems associated with a building of this age. They include asbestos removal, the replacement of the entire roof membrane, elevator up-grade, and heating system. The cost of removing asbestos has been studied and is extremely expensive. In order to remove the asbestos and the other problem areas, the hospital would have to relocate to a temporary facility during the time that construction would take place. A secondary concern is that the land is owned by the Mental Health Trust. The Trust has encouraged exploration of options to move the API facility away from the Trust property so that the Trust (through the Alaska Mental Health Trust Land Office, a component of the Department of Natural Resources) may put the property to other uses, to carry out the revenue generating purposes of the Trust lands.

## **3.0 PURPOSE**

The Department of Health and Social Services is, and has been for some time now, faced with the fact that its well-worn facility is very near the end of its useful life. Recent studies have concluded that API has a useful life of from three to five additional years. The site selection process that the Department has conducted has been a protracted process. In fact the issue has been presented to the Municipal Planning and Zoning Commission in 1996. This option was called the camel plan in that a new facility was planned to be built on the current API site. Originally, the design was for a hospital with 114 beds. Due to legislative funding reductions this was revised to 72 beds and later to 54 beds. The camel plan was presented to the Planning and Zoning Commission and was for 72 beds. This plan was put out to bid and unfortunately the bids came in higher than expected, exceeding the amount of funds available. The bids were rejected without further recourse and the search for other options was initiated.

## **4.0 PURPOSE OF STUDY**

With the rejection of the bids for construction on the existing site, new options had to be formulated. This study outlines the findings related to those options. There were three options

explored for identification of a site for a new API hospital.

Option 1 was the original construction of a new hospital on the existing site.

Option 2 was a request for information (RFI) utilizing an exception to the state procurement codes for purchases of real property, which process elicited only one expression of interest, a proposal from Charter North Hospital located on DeBarr Road.

Option 3 was to exercise an exemption from the state procurement code to negotiate with Providence Alaska Medical Center as a non-profit corporation operating a hospital. This option would have API and Providence jointly operating and sharing in a structure.

Attached to this report are the Department of Health and Social Services findings related to the three options that identifies issues, conclusions, and public involvement in the selection process.

## **5.0 RENEWED PUBLIC PROCESS**

The Department in January of 1998 issued a request for information (RFI) for interested vendors to propose a sale of hospital facilities to the department. Only Charter North Hospital responded.

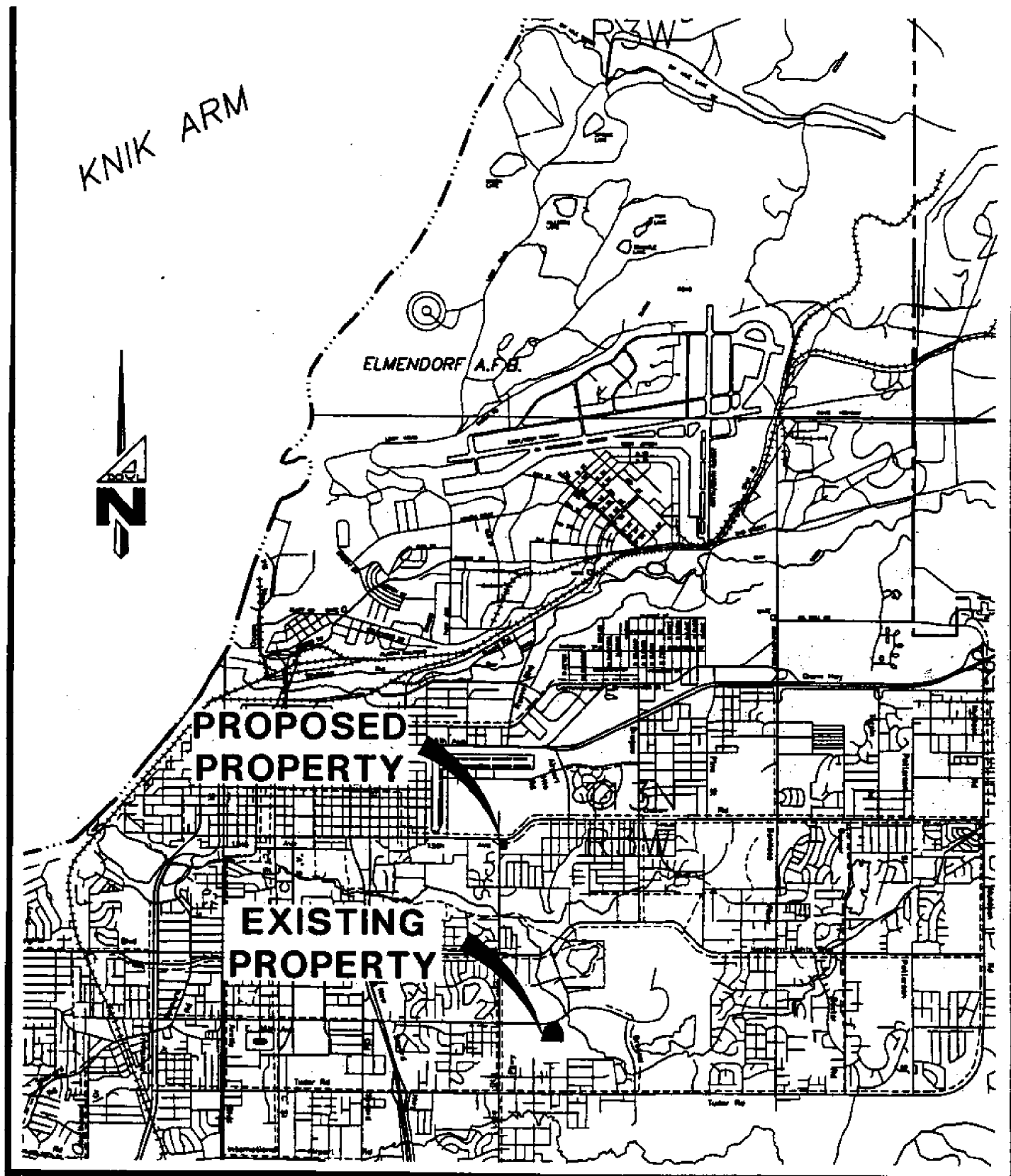
On December 8, 1998, the Mental Health Trust Authority and the Department, pursuant to a public notice, conducted a hearing to consider the three options proposed regarding future location of API. The Providence option was not presented due to the failure of the land swap proposal required to site the facility adjacent to Providence Hospital. Charter North representatives presented their proposal. The state-contracted architects presented the "camel-plan" for reconstruction of API on the existing property. In February, 1999, representatives of the Department met with the Airport Heights Community Council to begin to discuss the specifics of the Charter North Proposal. These discussions lead to a resolution in support of API's move.

## **6.0 EVALUATION OF SPECIFIC OPTIONS**

- A. Cost. Of the three options, the cost of Option 2 (Charter North) is determined to be the lowest. Option 1 (Existing Site) significantly exceeded the budget available. Option 3 (Providence Hospital on land owned by UAA) would have required third party financing and construction costs that were not specifically determinable, but which certainly exceeded the funds presently available.
- B. Function. Option 1 funding constraints required a substantial reduction in the proposal and would have left API with less function than that required for effective operations. Option 2 the Charter option does offer the prospect of known facility capable of generally satisfying API's needs, although it will require some remodeling and/or additional construction before API could occupy the replacement facility. Option 3 involving Providence Hospital would have required a difficult, if not impossible land trade between three different entities. In the end, it is unsure of how the co-management and joint-financing arrangement could have been worked out. Providence chose not to be included in the evaluation process.
- C. Closure Risks. The ability to complete a purchase and sales agreement is a paramount and significant step. Of the three options, only the Charter North option has a high degree of closure. The other two options have flaws that could have ended with API having to start the process all over again in order to find a replacement location.

## **7.0 CONCLUSION AND RECOMMENDATION**

For all of the above analysis and with the support of the Airport Height Community Council, the recommendation is to choose the Charter North site for the replacement of Alaska Psychiatric Institute.



D56797

SCALE: 1"=1mi.

**DOWL**  
ENGINEERS

15 VICINITY MAP  
ANCHORAGE, ALASKA  
MUNICIPAL GRID No. 1734 & 1434