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## MEMORANDUM TO COUNCIL

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**To:** Mayor and City Council Members  
**From:** Cameron Dean, Planning Director  
**Through:** William Homka, City Manager  
**Date:** November 12, 2024  
**Re:** APIA Clinic Proposal

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**SUMMARY:** The Aleutian and Pribilof Islands Association (APIA) has requested using approximately three acres of City owned land adjacent to City Hall to construct a healthcare facility.

**PREVIOUS COUNCIL ACTION:** None as relates to this proposal. Council regularly awards funding to APIA for behavioral healthcare through the Community Support Grant program. In 2023, Council leased the area across the street from City Hall to Iliuliuk Family Health Services (IFHS) to construct a healthcare facility.

**BACKGROUND:** Staff met with APIA representatives to discuss their concept for a healthcare facility on July 2, 2024. Since then, Staff have continued corresponding with APIA to gather more details of their proposal.

**DISCUSSION:** APIA currently provides primary care services to Indian Health Service (IHS) beneficiaries and veterans, as well as behavioral health services to the general public, in Unalaska. It serves both the local community and other communities in the region that fly through Unalaska as a hub. APIA leases about 2000 sq. ft. of IFHS's building and owns the Oonalaska Wellness Center on Standard Oil Hill.

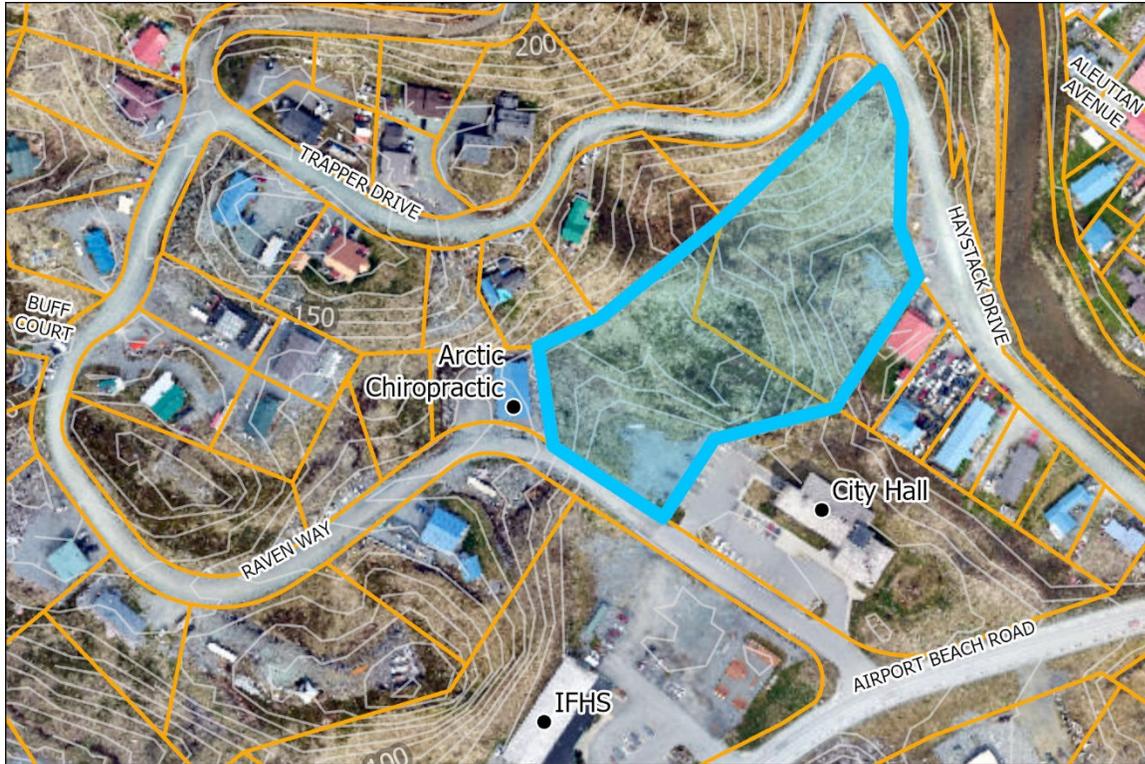
In 2023 APIA had 926 primary care and 734 behavioral health encounters with 337 unique patients. Behavioral healthcare is provided during normal business hours; after hours care is currently not offered. In the same year, IFHS provided care for 2,497 unique patients during 5,580 patient encounters.

### Site

APIA has requested approximately three acres in total spread across on two City-owned parcels stretching from Raven Wy to Hatcher Dr, with slightly more than half the area rising above the tsunami inundation zone.

There is an existing flat gravel lot that the City currently uses for overflow parking storage for snow removed from Haystack, but overall the area is topographically complex with over 80 feet of elevation change from Haystack Dr to the corner nearest Arctic Chiropractic.

In the past the area behind City Hall has been considered for a replacement police station and it is the direction to build if expansions are ever needed at City Hall.



The City Hall parcel is zoned Public/Quasi-Public which is appropriate for a healthcare facility, but the other parcel is Single Family/Duplex Residential and would need to be rezoned.

### **Proposed Facility**

APIA has provided two concepts that are attached to this memo. The proposed building is two stories totaling approximately 18,000 sq. ft. of floor space, about the same size as the current IFHS building. As identified on the attached space program, it would include both dental and primary care and space for behavioral health services. The facility would also allow APIA to provide wellness services to the community that are currently only available in Anchorage.

APIA is not planning at this time to include after-hours behavioral health crisis care. Unalaska currently lacks specialized space for behavioral health holds and these patients are instead held at the jail.

The new facility would not provide emergency services, and patients would need to be transferred to IFHS or directly to the airport for medevac. City Fire/EMS would be responsible for transport as they are now. No additional services would be shared with IFHS than are currently.

Parking and access would be completely separate from City Hall. Access would come primarily from Raven Way with potential additional staff parking off Haystack Dr.

Because the facility would be outside the tsunami inundation zone, it could potentially serve as shelter space during an emergency. The City would need to reach an agreement with APIA to use the facility in that event.

APIA currently has funding to staff the facility if built, but funding for construction is yet to be secured. APIA intends to apply for a Community Change Grant from the EPA, which can provide up to \$20,000,000.

### **Utilities**

Electric service can be extended to the site relatively easily from City Hall, though depending on APIA's needs a transformer may need to be upsized.

However, providing water and wastewater is much more complicated. Service would need to be extended from much further up Raven Way with wastewater continuing across the proposed site down the hill to Haystack Dr. DPU estimates the system development costs at roughly \$1.5 million based on recent bids, which APIA would be responsible for.

**ALTERNATIVES:** APIA is also evaluating other locations not owned by the City. One option is property owned by OC on Standard Oil Hill near APIA's Head Start building. That property is also outside the tsunami inundation zone and is large enough to accommodate a similarly sized facility.

The City likely does not own other land that would be suitable for this project.

**FINANCIAL IMPLICATIONS:** In meetings with APIA representatives there has been no discussion about land transaction, whether that is a city donation of the land, or a lease or outright purchase.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff does not recommend proceeding with APIA's current proposal. The City owns very little buildable land, particularly land outside the tsunami inundation zone. Given the relatively low number of visits APIA currently sees in Unalaska, Staff feels that committing a large tract of land for a new healthcare facility is not in the City's best interest, particularly after it already leased about 1.5 acres across the street to IFHS. IFHS continues to lease space to APIA, so it is not at imminent risk of losing its existing location.

City Hall parking is already at capacity, and the building plans proposed by IFHS will reduce the parking available at the clinic across the street, which often serves as overflow. Additionally, APIA's proposal would further decrease the currently available parking and eliminate an area designated for snow storage. Emergency vehicles currently access IFHS via Raven Way. While APIA's design includes a dedicated parking lot and driveway, it would create access challenges, as three separate facilities would be situated within a short distance on a narrow road at the base of a steep hill, which vehicles often struggle to navigate during winter. If approved, Unalaska would have two new healthcare facilities, totaling approximately 34,000 sq. ft., situated across the street from one another. Notably, demand for services and the city's population have both declined in recent years.

**PROPOSED MOTION:** None.

**CITY MANAGER COMMENTS:** I concur with staff's recommendation.

### **ATTACHMENTS:**

- APIA Site Concepts
- APIA Proposed Space Program



APIA NEW SUB-REGIONAL HEALTH CLINIC  
CONCEPT "A" ZESITE   
PLAN



RETAINING EDGE

PARKING  
=45

TWO STORY  
BUILDING  
=18,000 BGSF

DROP OFF

APIA NEW SUB-REGIONAL HEALTH CLINIC  
CONCEPT B SITE PLAN 

**APIA NEW HEALTH CLINIC SPACE PROGRAM**

|          | Departments                     | Dept. Net SF | Conversion Factor | Dept. Gross SF   | Add Services    | Remarks          |
|----------|---------------------------------|--------------|-------------------|------------------|-----------------|------------------|
| <b>1</b> | <b>AMBULATORY</b>               |              |                   |                  |                 |                  |
| 1.1      | Dental                          | 971.00       | 1.35              | 1,310.85         |                 |                  |
| 1.2      | Primary Care                    | 1,650.00     | 1.35              | 2,227.50         |                 |                  |
| 1.3      | Specialty Care                  |              |                   |                  | 2,651           |                  |
|          | <b>Sub-Totals</b>               |              |                   | 3,538.35         | 2,651           |                  |
| <b>2</b> | <b>ANCILLARY</b>                |              |                   |                  |                 |                  |
| 2.1      | Pharmacy                        | 75.00        | 1.10              | 82.50            | 0               |                  |
| 2.2      | Imaging                         |              |                   |                  | 0               |                  |
| 2.3      | Lab                             |              |                   |                  | 0               |                  |
| 2.4      | Physical Theray                 |              |                   |                  | 0               |                  |
|          | <b>Sub-Totals</b>               |              |                   | 82.50            | 0               |                  |
| <b>3</b> | <b>PREVENTIVE CARE</b>          |              |                   |                  |                 |                  |
| 3.1      | Public Health Nursing           | 259.00       | 1.35              | 349.65           |                 |                  |
|          | Community Health Services       |              |                   |                  | 767             |                  |
|          | Wellness and Diabetes Education |              |                   |                  | 1,482           |                  |
|          | <b>Sub-Totals</b>               |              |                   | 349.65           | 2,249           |                  |
| <b>5</b> | <b>BEHAVIORAL</b>               |              |                   |                  |                 |                  |
| 5.1      | Behavioral Health               | 409.00       | 1.35              | 552.15           | 932             |                  |
|          | <b>Sub-Totals</b>               |              |                   | 552.15           | 932             |                  |
| <b>6</b> | <b>ADMINISTRATIVE</b>           |              |                   |                  |                 |                  |
| 6.1      | Administration                  | 893.00       | 1.30              | 1,160.90         |                 |                  |
| 6.2      | Health Information Management   | 302.00       | 1.25              | 377.50           |                 |                  |
|          | <b>Sub-Totals</b>               |              |                   | 1,538.40         |                 |                  |
| <b>9</b> | <b>SUPPORT SERVICES</b>         |              |                   |                  |                 |                  |
| 9.1      | Employee Facilities             | 351.00       | 1.10              | 386.10           |                 |                  |
| 9.2      | Housekeeping and Linen          | 65.00        | 1.10              | 71.50            |                 |                  |
| 9.3      | Public Facilities               | 259.00       | 1.20              | 310.80           |                 |                  |
| 9.4      | Property and Supply             | 680.00       | 1.07              | 727.60           |                 |                  |
| 9.5      | Body Holding                    |              |                   |                  | 0               |                  |
|          | <b>Sub-Totals</b>               |              |                   | 1,496.00         | 0               |                  |
|          | TOTAL DEPARTMENTAL GSF          |              |                   | 7,207.40         | 5,832.10        |                  |
|          | BUILDING CIRCULATION (.25)      |              |                   | 1,801.85         | 1,458.03        |                  |
|          | FLOOR GSF                       |              |                   | 9,009.25         | 7,290.13        |                  |
|          | MAJOR MECHANICAL SPACE (.12)    |              |                   | 1,081.11         | 874.82          |                  |
|          | <b>BUILDING GSF-TOTAL</b>       |              |                   | <b>10,090.36</b> | <b>8,164.94</b> |                  |
|          | <b>BUILDING TOTAL BGSF</b>      |              |                   |                  |                 | <b>18,255.30</b> |