

TRANSMITTAL MEMORANDUM

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TO: Honorable Mayor & City Council

FROM: Delilah A. Walsh, City Manager

Initials:



DATE: May 24, 2024

File #: MGR24-356

**RE: Reunification Program Policy & Resolution No. 24-2928, Amending the 2024 General Government Operating and Capital Budget to Provide a Supplemental Appropriation for the Mayor & Council Department in the Amount of \$50,000; Authorizing Budget Transfers from the Appropriated Reserves of the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund in the Amounts of \$21,925, \$11,230, and \$16,845, Respectively; and Establishing an Effective Date**

During the regular Council meeting of 05/02/2024, Councilor Riley Gass requested a status regarding a possible reunification program for unhoused individuals in Ketchikan. The Council item of 09/05/2023 was to "support a reunification program." At that meeting, Councilor Mark Flora requested the item be advanced to a future agenda item and the development of a program to be considered at the next regular Council meeting in light of the First City Haven shelter closure on 07/31/2024. If approved, this motion establishes a grant program to support non-profit agencies facilitating reunification for unhoused individuals as well as provides for a budget transfer to fund the program.

I understand this is an issue that requires Council deliberation; however, I did want to properly notice all available options to the public should you choose to move forward after discussion.

Mr. Ty Rettke of PATH has been invited to give the City Council information regarding his past experience with the VA Reunification program. During the regular Council meeting of 01/18/2024, Mr. Rettke shared his willingness to administer such a program if funds were available and is willing to provide information for your consideration.

To launch a program effectively, I recommend contracting with a non-profit organization with expertise in reunification services. This approach protects the City from potential liability and discriminatory practices. A draft program policy for Council consideration is attached.

Based on current revenue projections provided by Finance Director Michelle Johansen, funding for the program would require a transfer from the General Fund reserves to the Humanitarian Grant Fund. Assuming we collect the same revenue as FY2023, we will be able to cover the full amounts awarded to PATH and FCHS, and we do not anticipate that revenue will exceed FY2023. The recommended motion reflects this transfer.

There is a possibility of additional funds becoming available if First City Homeless Services (FCHS) cannot meet their FY24 grant obligations due to their expiring lease on July 31. One of the criteria for the humanitarian grant program policy № COK 4.03 Section to III.3. is to “Have an established service property within City limits.” As the lease is set to expire on 07/31/24, I issued the grant agreement such that the first half grant payment would be made, and all subsequent payments for July through December would be made on a monthly basis. I advise not delaying the program on this possibility and instead fund a budget transfer to do so.

While Council deliberation is important, pre-noticing all actionable items facilitates prompt action if the Council chooses to move forward after discussion. Therefore, I have prepared options for possible motions for Council Consideration and selected \$50,000 as the program amount to be impactful and effective.

- Option #1: adopts the program policy but does not identify funding for the grant program. Such consideration would have to be addressed at a future Council meeting.
- Option #2: adopts the program policy and approves Resolution № 24-2928, which transfers \$50,000 from the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund to fund the reunification grant program.

Councilor Flora also made an additional request to direct staff to contact the Ketchikan Gateway Borough for additional funds in support of a reunification program. I have included that direction in both motions.

**Motion Option #1:** I move the City Council adopt the Reunification Program policy; direct staff to develop funding recommendations; and direct the City Manager to make a formal request for additional funding from the Ketchikan Gateway Borough.

**Motion Option #2:** I move the City Council adopt the Reunification Program policy; adopt Resolution № 24-2928, amending the 2024 General Government Operating and Capital Budget to provide a supplemental appropriation for the Mayor & Council Department in the amount of \$50,000; authorizing budget transfers from the Appropriated Reserves of the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund in the amounts of \$21,925, \$11,230, and \$16,845, respectively; and establishing an effective date; and direct the City Manager to make a formal request for additional funding from the Ketchikan Gateway Borough.



## Title/Subject: Reunification Grant Program

Document/Policy #: COK 4.05

Type: ☒ Council Policy ☐ CM Policy ☐ Work Rule ☐ Guideline

Effective Date: 06/20/2024

Version #: 1

Last Revision: n/a

# Reunification Grant Program

## I. Program Purpose

The City of Ketchikan recognizes the challenges faced by unhoused individuals who are involuntarily or unintentionally located in Ketchikan and wish to return to family or other support systems. This grant program aims to support non-profit agencies that provide services facilitating elective reunification of unhoused individuals with family or other support systems outside of Ketchikan.

Benefits of a reunification program are:

Stability and Support: Reuniting with family or loved ones can provide a stable and supportive environment for unhoused individuals. This can be especially important for those who have experienced trauma or social isolation. Family can offer emotional support, a sense of belonging, and practical assistance with things like housing, food, and childcare.

Improved Mental and Physical Health: Studies have shown that social connection and a sense of belonging can significantly improve mental and physical health outcomes. Reunification can help reduce stress, anxiety, and depression and can lead to healthier lifestyle choices.

Increased Access to Resources: Family members or established support systems may be able to provide financial assistance, help navigating social services, or offer a connection to employment opportunities that may not have been available while unhoused.

Reduced Reliance on Shelters and Emergency Services: Successful reunification can free up space in shelters, allowing them to serve more people in need. It can also reduce the strain on emergency services.

Renewed Hope and Opportunity: Reunification can offer a fresh start and a renewed sense of hope for the future. Being back in a familiar environment or with loved ones can motivate individuals to pursue education, employment, and permanent housing.

Connection to Cultural Identity: Reunification can allow individuals to reconnect with their cultural background and traditions, which can be an important source of strength and identity.

## II. Program Objectives

Participation in the homeless reunification program is entirely voluntary. Some individuals may not be ready or have the necessary support systems established outside of Ketchikan to participate. This program cannot be used to pressure or coerce anyone into leaving the Ketchikan Gateway Borough.

The objectives of this grant program are to:

- Empower individuals experiencing homelessness with the resources and support they need to make informed choices about their future, including reunification with family or support systems when that is their desired path.
- Assist unhoused individuals in electively reuniting with family or establishing permanent supportive housing outside Ketchikan, thereby reducing the number of unhoused individuals in Ketchikan.
- Foster collaboration between the City and non-profit agencies serving the unhoused population.

These objectives are aligned with the Program Objectives of the City of Ketchikan's Humanitarian Grant Program, defined in Section II. of policy № COK 4.03.

### III. Program Establishment & Funding

The Reunification Grant Program will be funded by a dedicated portion of the Marijuana Sales Tax Fund established by Ketchikan Municipal Code (KMC) Sections 3.04.20(c)[1] and 3.04.130(e)[2].

1. The City of Ketchikan is committed to a minimum flat funding allocation of up to \$40,000 per year per recipient notwithstanding Marijuana Sales Tax revenue projections.
2. All other funding using Marijuana Sales Tax is governed by the City's Humanitarian Grant Program policy № COK 4.03.
3. City staff will request matching funding for this Program from partner organizations and agencies.

### IV. Eligible Recipient Criteria

To be eligible for a reunification grant, grantees must be:

- Non-profit organization with 501(c)(3) status within Ketchikan city limits.
- Be headquartered in the State of Alaska.
- Able to demonstrate a history of serving the unhoused population and a proven track record of successful reunification outcomes.
- Be in good financial standing with the City of Ketchikan and Ketchikan Gateway Borough.
- At least 50% of board members must reside in the Ketchikan Gateway Borough.
- Services must meet all program objectives listed in Section II.

### V. Use of Grant Funds

#### A. Administrative Expenses

Administrative expenses may not exceed more than 15% of the total award.

#### B. Eligible Uses

No one individual beneficiary may receive more than a total award of \$5,000 in assistance from this program (does not preclude the use of outside or additional funds from other entities). Eligible uses include:

- Transportation assistance (bus tickets, plane tickets, ferry tickets, car repairs, fuel)
- Food and lodging while in transit

- Case management services to support successful reunification (may include referrals, benefits assistance)

### C. Eligible Participants

Each reunification program beneficiary:

- Is homeless using the U.S. Department of Housing & Urban Development (HUD) definition as such. That definition is attached as [Exhibit A](#).
- Is currently located in the Ketchikan Gateway Borough.
- Has not been the recipient of the City of Ketchikan Reunification Grant Program funds in the last 12 months.
- Has not received reunification assistance more than three times.
- Is voluntarily participating in the reunification program.

In alignment with Housing First principles, the following criteria may not be used to determine program eligibility:

- Sobriety and/or commitment to be drug-free;
- Requirements to take medication if the participant has a mental illness;
- Participation in religious services or activities;
- Participation in drug treatment services (including NA/AA);
- Payment or ability to pay; or
- Status or lack of Identification.

### D. Ineligible Uses of Grant Funds

- Direct financial assistance to individuals
- Lobbying or political activities
- Religious or political conversion
- Reunification as a form of influence or coercion

## VI. Application Process and Selection Criteria

Applications to participate in this program will be accepted immediately after funding is made available by the City Council. Funding will be awarded for the duration of the fiscal year in which funding is appropriated.

The City Manager may establish reasonable rules, applications, grant agreements, and an award process to effectuate this program.

A Grant Review Committee comprised of City Council representatives and community stakeholders will evaluate applications based on the following criteria:

- Agency's experience serving the unhoused population in Ketchikan.
- Strength of the proposed reunification program.
- Clarity and feasibility of the program budget.
- Demonstrated ability to track and report outcomes (number of individuals reunified, post-reunification support provided).
- Sustainability of the program beyond the grant period (if applicable).

## VII. Reporting Requirements

Grantees will be required to submit quarterly reports detailing the number of individuals served, funds expended, and program outcomes achieved.

A final report summarizing the overall program impact and effectiveness is required upon grant completion.

## VIII. Grant Award and Disbursement

Grant awards will be announced following the application review process. Grant funds will be disbursed upon receipt of the following:

- Fully executed grant agreement.
- Invoice requesting grant funds.
- Certificate of Liability Insurance

## IX. Program Monitoring and Evaluation

## X. Approval

Approved, adopted, and passed this 20<sup>th</sup> day of June, 2024.

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Dave Kiffer, Mayor

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Date

## XI. References

KMC Sections 3.04.20(c) and 3.04.130(e)

## XII. Acronyms

KMC: Ketchikan Municipal Code

## XIII. Revision History

Date:	Explanation of Change:
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# Homeless Definition

CRITERIA FOR DEFINING HOMELESS	Category 1	Literally Homeless	(1) Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) Has a primary nighttime residence that is a public or private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); <u>or</u> (iii) Is exiting an institution where (s)he has resided for 90 days or less <u>and</u> who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
	Category 2	Imminent Risk of Homelessness	(2) Individual or family who will imminently lose their primary nighttime residence, provided that: (i) Residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; <u>and</u> (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing
	Category 3	Homeless under other Federal statutes	(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who: (i) Are defined as homeless under the other listed federal statutes; (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; <u>and</u> (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers
	Category 4	Fleeing/ Attempting to Flee DV	(4) Any individual or family who: (i) Is fleeing, or is attempting to flee, domestic violence; (ii) Has no other residence; <u>and</u> (iii) Lacks the resources or support networks to obtain other permanent housing

**City of Ketchikan**  
**Marijuana Sales Tax Revenue**

<b>Revenue</b>	<b>2017*</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
January	-	11,775	23,448	35,304	24,517	21,192	14,755	20,575
February	-	5,694	7,914	7,457	11,108	9,308	5,231	10,648
March	-	6,267	19,447	-	29,134	15,096	17,618	10,188
April	-	21,701	14,094	30,884	23,367	17,153	5,004	11,356
May	-	12,876	15,421	27,635	22,622	6,474	16,719	
June	10,340	7,800	9,314	-	21,204	25,407	17,606	
July	12,877	29,214	32,154	41,887	20,149	28,878	31,420	
August	16,885	10,976	12,242	27,119	11,015	22,981	23,829	
September	17,564	36,935	-	24,079	34,589	24,804	22,177	
October	15,483	20,992	63,129	21,604	11,937	49,227	8,747	
November	7,014	18,712	9,313	11,031	20,938	8,818	25,835	
December	16,990	7,607	9,381	33,043	26,943	25,611	5,607	
<b>Total Revenue</b>	<b>97,153</b>	<b>190,549</b>	<b>215,857</b>	<b>260,043</b>	<b>257,524</b>	<b>254,949</b>	<b>194,548</b>	<b>52,767</b>
<b>Expenditures</b>								
Humanitarian Grants	-	95,500	114,000	146,000	131,000	185,000	168,162	194,250
General Fund Operations	97,153	-	-	-	-	-	-	-
Police Operations	-	-	-	-	200,000	200,000	140,302	-
<b>Total Expenditures</b>	<b>97,153</b>	<b>95,500</b>	<b>114,000</b>	<b>146,000</b>	<b>331,000</b>	<b>385,000</b>	<b>308,464</b>	<b>194,250</b>
Interest Revenue		-	2,452	1,962	300	403	1,376	250
Reserve Balance	0	95,049	199,358	315,363	242,188	112,540	-	(141,233)

\* In 2017 Marijuana Sales Tax funds were recorded in the General Fund.

	<u>2018-2023</u>
Total Revenue	1,373,471
Total Humanitarian Grants	839,662
Total Police Operations	540,302



**MEMORANDUM**  
**CITY OF KETCHIKAN, ALASKA**  
**Finance Department**  
*Office of the Finance Director*

*Michelle L. Johansen, Finance Director*  
*Camille Nelson, Financial Analyst*  
*Phone: (907) 228-5621*  
*Facsimile: (907) 228-5617*

**To:** Delilah A. Walsh, City Manager/KPU General Manager

**From:** Michelle L. Johansen, Finance Director

**Date:** May 28, 2024

**Subject:** **Resolution No. 24-2928, Amending the 2024 General Government Operating and Capital Budget to Provide a Supplemental Appropriation for the Mayor & Council Department in the Amount of \$50,000; Authorizing Budget Transfers from the Appropriated Reserves of the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund in the Amounts of \$21,925, \$11,230, and \$16,845, Respectively; and Establishing an Effective Date**

Resolution No. 24-2928 was prepared for the purpose of amending the 2024 General Government and Operating Budget to provide for the supplemental appropriation and authorizing the City Manager to transfer funds from the appropriated reserves of the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund. Both steps are required in order to provide additional funding in the Humanitarian Grant Program.

I recommend that the City Council pass Resolution No. 24-2928. A public hearing for the budget amendment will be required. The City Clerk, Kim Stanker, has been requested to schedule a public hearing for June 6, 2024 and to provide for the proper public notice of such hearing.

**Recommended Motion:**

I move the City Council pass Resolution No. 24-2928, amending the 2024 General Government Operating and Capital Budget to provide a supplemental appropriation for the Mayor & Council Department in the amount of \$50,000; authorizing budget transfers from the Appropriated Reserves of the General Fund, Hospital Sales Tax Fund, and Public Works Sales Tax Fund in the amounts of \$21,925, \$11,230, and \$16,845, respectively; and establishing an effective date.

**CITY OF KETCHIKAN, ALASKA**

**RESOLUTION NO. 24-2928**

**A RESOLUTION OF THE CITY OF KETCHIKAN, ALASKA AMENDING THE 2024 GENERAL GOVERNMENT AND OPERATING AND CAPITAL BUDGET TO PROVIDE A SUPPLEMENTAL APPROPRIATION FOR THE MAYOR & COUNCIL DEPARTMENT IN THE AMOUNT OF \$50,000; AUTHORIZING BUDGET TRANSFERS FROM THE APPROPRIATED RESERVES OF THE GENERAL FUND, HOSPITAL SALES TAX FUND AND PUBLIC WORKS SALES TAX FUND IN THE AMOUNTS OF \$21,925, \$11,230, AND \$16,845 RESPECTIVELY; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the City of Ketchikan, Alaska General Government Operating and Capital Budgets and appropriations for the year 2024 were adopted by the City Council with the passage of Resolution No. 23-2901; and

**WHEREAS**, the City Council desires to increase funding for the Mayor & Council Department in order to provide an additional appropriation in the amount of \$50,000 for the Mayor & Council's Humanitarian Grant Program; and

**WHEREAS**, the City Council desires to authorize budget transfers from the appropriated reserves of the General Fund, Hospital Sales Tax Fund and Public Works Sales Tax Fund in the amounts of \$21,925, \$11,230, and \$16,845, respectively, to provide funding for Operating Transfers Out to the Marijuana Sales Tax Fund Fund.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Ketchikan, Alaska as follows:

**Section 1:** The 2024 revenues and appropriations of the Marijuana Sales Tax Fund are hereby amended as follows:

*Revenues:*

<i>Operating Transfer In from General Fund</i>	\$ 21,925
<i>Operating Transfer In from Hospital Sales Tax Fund</i>	\$ 11,230
<i>Operating Transfer In from Public Works Sales Tax Fund</i>	\$ 16,845

*Appropriations:*

<i>Mayor &amp; Council</i>	
<i>Humanitarian Grant Program</i>	
<i>Humanitarian Agency Grants</i>	\$ 50,000

**Section 2:** The City Manager is authorized to transfer \$21,925 from the appropriated reserves of the General Fund to provide funding for Operating Transfers Out to the Marijuana Sales Tax Fund.

**Section 3:** The City Manager is authorized to transfer \$11,230 from the appropriated reserves of the Hospital Sales Tax Fund to provide funding for Operating Transfers Out to the Marijuana Sales Tax Fund.

**Section 4:** The City Manager is authorized to transfer \$16,845 from the appropriated reserves of the Public Works Sales Tax Fund to provide funding for Operating Transfers Out to the Marijuana Sales Tax Fund.

**Section 5:** This resolution shall become effective immediately upon passage.

**PASSED AND APPROVED** this 6<sup>th</sup> day of June, 2024.

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Dave Kiffer, Mayor

ATTEST:

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Kim Stanker, City Clerk