



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: August 23, 2022

RE: **Update and Presentation from First City Homeless Services on Operations and Occupation of 632 Park Avenue (Park Avenue Safe Shelter)**

At its meeting of April 7, 2022, the City Council authorized 2022 Humanitarian Services Grant Program Funding in the amount of \$125,000 to First City Homeless Services (FCHS). As the City Council will recall, four objectives were established that must be completed by FCHS Services in order for full funding to be remitted by the City. These objectives are as follows:

1. Job descriptions drafted for all staff
2. Enter pertinent First City Homeless Services data into the Alaska Homeless Management Information System (AKHMIS) database
3. Update handbook of FCHS policies and procedures
4. Train FCHS staff including but not limited to appropriate de-escalation techniques

At the April 7, 2022 meeting, the City Council determined that Objective No. 4 had been met and authorized initial funding in the amount of \$84,500, with the remaining \$40,500 in funding to be released upon completion of the remaining objectives, each representing \$13,500 in grant funding. To date, the City has released only the initial \$84,500 in funding.

At the April 7, 2022 meeting, the City Council also adopted in second reading Ordinance No. 22-1944, Authorizing a License and Lease Agreement Between the City of Ketchikan and First City Homeless Services for Property Located at 632 Park Avenue. This action came after the City remodeled and expanded the 632 Park Avenue property for the purposes of FCHS conducting a 24-hour homeless shelter or the Park Avenue Safe Shelter (PASS). FCHS is now operating fully out of the facility and conducting 24-hour services.

Pursuant to City Council discussions held at the August 18, 2022 meeting and with respect to public comment received at the meeting, staff has arranged for representatives of First City Homeless Services to provide an update and presentation on their operations at PASS for the City Council at the September 1, 2022 meeting. FCHS has provided the attached information in advance, including a written update report, the developed FCHS guest handbook, and a letter in response to the complaints the City has received from the American Legion regarding shelter participant behavior in the vicinity of the shelter and American Legion.

Following FCHS's presentation, the City Council may wish to determine if any of the remaining objectives for grant funding have been met, which would authorize the release of additional grant funding.



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<p>2022-2023</p> <p>Board Members</p> <p>Jessica Pilcher <i>Board Chair</i></p> <p>Annie Morris <i>Vice Chair</i></p> <p>Kathy Ramirez <i>Treasurer</i></p> <p>Shelly Paasonen <i>Secretary</i></p> <p>Helene Simpson <i>Board Member</i></p> <p>Deborah Asper <i>Chief Executive Officer</i></p>	<p style="text-align: center;">First City Homeless Services update 8/17/2022</p> <p>City of Ketchikan grant and quality measures update:</p> <ul style="list-style-type: none"> • We have moved 100% into 632 Park Ave. building and are now operating 24 hours a day, year-round. • We worked with our consultant Hilary Morgan on a CEO search and have hired a full-time CEO, Deborah Asper. • We have developed a shelter handbook for our guests. • We have developed an operational handbook for employees. • We worked with the city consultant ME Rider and have followed her recommendation to work with a non-profit consultant, Hilary Morgan. We can continue working with her with our matched funds and the Mental Health Trusts' monetary contribution of \$12,000. • We are also contracting with Hilary Morgan to coach our CEO for \$5,000 annually. • We are always looking for more training, and we have assigned our management team to attend a peer support professional training in October, which will help strengthen our case management. • We have hired an administrative assistant for our CEO specializing in nonprofit leadership. • We are actively working on data entry of all of our shelter guests into FCHS' updated AKHMIS program. • We are also working on grant funding for our next fiscal year. • Current staffing: <ul style="list-style-type: none"> ○ CEO position staffed. ○ Part-time Administrative Assistant position staffed. ○ Full time Program Coordinator staffed. ○ Two full time Manager on Duty Positions, one for the day and one for the night, both staffed. ○ Six full-time shelter employees staffed. ○ Two part time shelter employees. ○ One volunteer doing community service hours. <p><i>The services we currently provide in the shelter are:</i></p> <ul style="list-style-type: none"> • 24 hours shelter year-round • Hot, daily meals (breakfast and dinner) and snacks • Showers and hygiene
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- Clothing exchange
- Laundry services
- Case management
- Peer support
- Learning modules
- Skill development

In Development: We are developing programs and systems that will help increase our shelter participant's quality of life, open paths to self-sufficiency, increase community collaboration, and address homelessness prevention.

Our shelter program will consists of a three-part program:

1. Trauma-Informed Case Management

- All individuals utilizing FCHS services are entered into AKHMIS. They will work with our staff to develop goals and work towards reaching them while also utilizing outside resources and other organizations. Our CEO Deborah Asper has worked closely with Hayden Nevill and Holly Blood to develop a new AKHMIS program for our shelter services. We can now capture better data in line with our current services, and Deborah is entering data into AKHIMS.

2. Individual Living Skills

- These will be developed inside the shelter as our guests learn to live in a home setting. From the shelter's physical flow to the expectations to the mini modules that will be taught, participants will develop the necessary skills needed to live within four walls.

3. Pre-employment Skills

- We are developing a work program for participants which will offer a chance for participants to sign up to do a variety of chores and work service for a week. Their payment will be in the form of different perks, such as not having to go to the Salvation Army for lunch. They will be offered special lunch items and have the freedom to prepare themselves.
- Our Shelter Store allows participants an opportunity to "buy" items such as bus tokens, socks, snacks, candy bars, and gloves by doing chores. Unlike the work program, they do not sign up for the



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	<p>entire week; they can complete one or a series of chores or duties and receive their items.</p> <ul style="list-style-type: none"> • Mini-learning modules for independent living and pre-employment skills to teach shelter individuals how to fill out a job application and create a budget. These modules will not just be available for those currently experiencing homelessness but also for those at risk of homelessness and who are shelter insecure. <p>We are also in the process of developing a work program for individuals who are part of the general public and not necessarily living in the shelter. This program will be designed to help employ people with gaps in their work history due to incarceration, homelessness, and/or substance misuse.</p> <p>Once accepted into the program, these individuals will work with the core staff on developing marketable skills such as computer knowledge, working and cooking in a commercial kitchen, housekeeping, case management, and general people skills. They will also receive training such as Mental Health First Aid, CPR/First Aid/AED, Blood Borne Pathogens, Narcan training, de-escalation training, food handling, as well as other opportunities that arise. Program participants will also work closely with the Shelter Director to receive feedback and work on their own case management. When participants reach their 10-18 month goals, they will enter the workforce with updated skills, certificates, recent work history, and local references.</p> <p>The idea of this program is to help bridge the gap between the number of open job positions in our community and the number of eligible individuals to fill them. We also would like to provide an opportunity that helps keep people in their current homes and aids in individuals' abilities to obtain and maintain permanent housing. Our goal is not just to employ them but to help develop them as individuals.</p> <p>The culture of FCHS surrounds dignity, respect, kindness, and acceptance. We meet people where they are and help improve their quality of life however it looks to them. We want to help strengthen our community and empower people to change. This program is the 2nd step to our Pre-employment Skill Development Program we will be running for our currently homeless participants.</p>
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If you have any questions or concerns, please get in touch with FCHS CEO Deborah at deborah@firstcityhomeless.org or FCHS board chair Jessica at jessi@firstcityhomeless.org

Sincerely,

Deborah Asper, CEO

First City Homeless Services

Jessica Pilcher, board chair

First City Homeless Services



First City Homeless Services
PO Box 23095
Ketchikan, AK 99901
Phone: 907-225-0888
Email: ktnFCHS@gmail.com
www.facebook.com/ktnFCHS

FCHS Board Members:
Jessica Pilcher, chair
Shelly Paasonen, secretary
Kathy Ramirez, treasurer
Helene Simpson
Annie Morris

August 17, 2022

Dear Ms. Simpson,

On behalf of the First City Homeless Services board, I want to assure you and the Ketchikan City Council that we are addressing the formal complaint from Jeremiah Sullivan and the American Legion dated August 15, 2022, that we discussed yesterday. FCHS moved into the 632 Park Avenue shelter location full-time on July 15, 2022. Until yesterday, we had no formal complaints or phone calls from neighbors or community members to our shelter staff or board members regarding loitering, littering, obnoxious behavior, or other concerns. As you know, we are a low-barrier shelter, and our shelter guests may be under the influence of alcohol or other substances. They may also have other underlying chronic health conditions that could affect their behavior. FCHS has no control over the shelter participants once they are off-site; however, we are willing to discuss ways to decrease their negative impact on the surrounding properties.

In response to the July 30, 2022 incident, this is the first we have heard of such an incident. We are investigating the July 30 incident and the July 26, July 28, and August 8, 2022 issues listed in Mr. Sullivan's complaint. In addition, a formal written request has been submitted to the Ketchikan Police Department for all calls in the Park Avenue shelter area (FCHS shelter, PATH shelter, American Legion, and Ketchikan Apartments) from July 1, 2022 - August 16, 2022. We will review all incidents related to the FCHS shelter and known shelter participants to help us better address the issues.

First City Homeless Services is open to conversations with our neighbors and community members, and we are motivated to address their concerns. We have already reached out to the American Legion to request a meeting to discuss Mr. Sullivan's and the American Legion's complaints so we can address their concerns with our shelter participants and the 632 Park Avenue shelter.

Sincerely,

Jessica Pilcher, chair
First City Homeless Services

632 Park Avenue, Ketchikan, Alaska
FCHS is a 501(c)(3) nonprofit organization
EIN: 26-2565838

Welcome to the First City Homeless Services Shelter!



Approved by the FCHS Board of Directors 05/22/2022

1. FIRST CITY HOMELESS SERVICES PURPOSE

Our purpose is to offer access to a safe, non-judgmental low-barrier shelter to persons experiencing homelessness while simultaneously moving them towards more permanent and stable housing.

2. FCHS LOW-BARRIER SHELTER POLICY

FCHS respects the rights and dignity of the people it serves and treats them in a non-coercive manner. Shelter Programs have procedures in place to facilitate and maintain a respectful environment for staff and guests alike.

3. PURPOSE OF THIS HANDBOOK

Provide a common understanding of guest rights, responsibilities and rules to maintain the health and safety of all staff, guests and visitors.

4. WHAT DOES LOW BARRIER MEAN?

- Low barrier means removing as many pre-conditions to entry as possible.
- Low barrier shelters emphasize welcoming guests in as they are.
- Low barrier calls for clear and simple behavioral expectations that apply to anyone residing in the shelter. These expectations are focused on maintaining a safe environment for all.
- Low barrier services are easily accessible, user friendly and minimize barriers such as paperwork, waiting lists, or eligibility requirements.
- Low barrier shelter rules and expectations revolve around ensuring the safety and health of all guests, staff and visitors.

4. Services Provided

- ❖ Safe shelter
- ❖ Daily breakfast and dinner meal
- ❖ Case management assistance and client advocacy

- ❖ Shower facilities including towels, soap, shampoo and hygiene products
- ❖ Clothes exchange
- ❖ Laundry facilities
- ❖ Individual living skill development
- ❖ Pre-employment skill development

5. GUEST RIGHTS AND RESPONSIBILITIES

RIGHTS

- ❖ The right to feel safe in the Shelter.
- ❖ The right to be treated with respect regardless of race, status, gender, sexual orientation, age, religion, or beliefs.
- ❖ The right to make a complaint or ask for a review of a decision. Staff will assist you in filling out the FCHS Grievance Report Form. Your concerns will be dealt with by our Program Manager or, if needed, taken to the Board of Directors for resolution.

RESPONSIBILITIES

- ❖ The responsibility to respect the rights of others to feel safe.
- ❖ The responsibility to respect the cultural backgrounds and privacy of others.
- ❖ The responsibility to adhere to the schedules and rules of the Shelter.
- ❖ The responsibility to utilize the formal Grievance process should you feel a grievance against you has occurred.

SHELTER RULES

1. Treat everyone with dignity and respect

Treat everyone – both staff and fellow guests alike – with dignity and respect. This means no shouting, no profanity, no violence, and no abusive behavior.

2. Use the shelter space in a respectful manner.

This is a brand-new shelter, and we would like to keep it nice for you and those that come after you. Please respect the house rules.

3. No weapons are allowed in the Shelter, and nothing may be used as a weapon inside the shelter.

To ensure guest safety, guests' belongings and guests will be searched for weapons upon entry. Any weapon found will be turned into a staff member for safe keeping. It will be held for you until you leave.

4. The Shelter is a drug and alcohol-free environment.

Substance use is not allowed on the premises and persons found using alcohol or drugs will be asked to leave the shelter immediately. To ensure this, guests' belongings and guests will be searched upon entry and can be searched anytime if such use is expected. Any illegal drug found will be confiscated. Any alcohol found will be confiscated.

5. Medications

Staff can store medication but they will not dispense medication or monitor what guests do with their medications. The shelter will provide every guest with an individual tote for storage of personal items. The shelter will not limit or monitor the guest's access to her/his space.

6. The Shelter is a smoke-free environment.

There is a smoking area outside. Please use the provided receptacle for your cigarette butts.

7. Personal Hygiene

For the safety and comfort of all Shelter guests, shower facilities are provided, along with soaps, towels, razors, toothbrushes, and other appropriate personal hygiene supplies. Guests will be required to take a shower should their person be soiled. Staff can require any guest to bathe for the health and safety of others.

8. The Kitchen

The kitchen is off limits except to Shelter staff, or when permission is given by Shelter Staff.

9. Guest Personal Property

All guest bags will be searched for contraband. Keep watch over personal property. As a courtesy, totes and a charging station for electronics charging will be provided. However, staff is not responsible for the security of *any* personal property. Any personal property left in the shelter unattended for 24 hours or more will be disposed of.

First City Homeless Services reserves the right to alter or add to these rules in order to keep the shelter a safe, non-judgemental space. We will take all necessary precautions and actions to ensure the safety of all our guests, staff, volunteers and visitors.

Guest Signature _____

Printed Name: _____

Staff Name: _____

Date: _____

By signing and dating this I am stating that I have read and understand The FCHS Shelter Handbook reviewed with me by FCHS staff.

SIGNED COPY FOR GUEST FILE

THIS SIGNATURE INDICATES THAT THE GUEST HAS RECEIVED THE FCHS SHELTER HANDBOOK AND UNDERSTOOD IT.

Guest Signature _____

Printed Name: _____

Staff Name: _____

Date: _____



City Manager
334 Front Street
Ketchikan, AK 99901

Phone (907) 228-5603
Fax (907) 225-5075

April 18, 2022

Jessica Pilcher
First City Homeless Services Day Shelter
P.O. Box 23095
Ketchikan, AK 99901

Dear Ms. Pilcher:

Re: 2022 Community Agency Funding

With regard to the above referenced subject, please be advised that at its meeting of April 7, 2022, the City Council adopted a motion approving the funding request of First City Homeless Services in the amount of \$125,000. An initial amount of \$84,500 was authorized for release following the receipt of invoices per the Community Agency Funding contract.

Per City Council direction at the April 7, 2022 meeting, the remaining \$40,500 in funding will be released following First City Homeless Services' demonstrated completion of the following outstanding action items:

1. Job descriptions for all FCHS staff.
2. Enter pertinent First City Homeless Services data into the Alaska Homeless Management Information System (AKHMIS) database.
3. Update handbook of First City Homeless Services policies and procedures.

Attached with this letter is the Community Agency Funding contract. Please print and execute (sign and notarize) two sets of the agreement. Return the originals to this office for final execution. Once finalized, one set will be returned to you for your files. If you do not require an "original" document, you may print one set and scan it back to me once executed. A scanned completed document will be returned to you for your files.

Please remember that a valid certificate of insurance for the duration of the 2022 calendar year is required to be kept on file with the City. Additionally, invoices are required for the release of grant funds.

Should you have any questions on this matter, please do not hesitate to contact me.

Very truly yours,

Diane L. Bixby

Diane L. Bixby
Executive Assistant

Enclosure – As Stated

2022 AGREEMENT
Between
CITY OF KETCHIKAN
And
FIRST CITY HOMELESS SERVICES

THIS AGREEMENT made and entered into this 24 day of June, 2022, by and between the City of Ketchikan, a municipal corporation of 334 Front Street, Ketchikan, Alaska 99901, hereinafter referred to as "Owner" and First City Homeless Services, whose address is P.O. Box 23095/400 Main Street, Ketchikan, AK 99901, licensed and qualified to do business within the State of Alaska, hereinafter referred to as "Contractor."

RECITALS

(a) The Owner desires the performance, provision and accomplishment of the work, services and materials described and set forth in Section 1.

(b) Contractor represents that it is ready, able and qualified to perform and will perform in all respects all of the work, services and materials, and to otherwise perform all of the terms, covenants, conditions and provisions of the agreement in the manner, at the times, and for the consideration hereafter provided.

NOW, THEREFORE, IT IS AGREED, for and in consideration of the terms, covenants, conditions and provisions contained herein, and/or attached and incorporated herein, and made a part hereof, the parties hereto agree as follows:

Section 1: Agreement to Perform. The Owner hereby agrees to engage the Contractor and the Contractor hereby agrees to perform, complete, provide and furnish, in a timely and proper manner, and pursuant to and in accordance with all of the terms, covenants, conditions and provisions of this agreement, all of the work, services, labor and materials required to accomplish all of the work described in Section 2 (Scope of Work) hereof at the times, in the manner, and for the consideration and payments hereinafter set forth.

Section 2: Scope of Work. The Contractor shall perform, supply and provide all of the work, services and materials (hereinafter collectively referred to as "work") as follows:

As set forth and described on Exhibit A attached hereto and incorporated herein by this reference.

Section 3: Duration of Agreement. The term of this agreement shall commence upon execution of both parties and be retroactive to January 1, 2022 as to compensation for services performed within its Scope of Work. The work called for in this agreement shall be performed and completed no later than December 31, 2022.

Section 4: Compensation and Payment. For and in consideration of the timely and proper performance of work authorized as provided herein, the Owner shall pay the Contractor as follows:

FILED IN CITY CLERK'S OFFICE
DATE <u>7/12/2022</u>
NUMBER <u>22-111</u>

Upon signing of this agreement and receipt of invoice and valid certificate of insurance, the Owner agrees to pay the Contractor in the amount of ONE HUNDRED TWENTY FIVE THOUSAND (\$125,000). Final invoicing for payment MUST be made not later than the second Friday in January of the following year.

Section 5: No Additional Work. No claim for additional work, services or materials, not specifically and expressly requested and authorized as provided for in this agreement or by a written amendment thereto signed by both parties, done or furnished by the Contractor will be allowed or paid by the Owner, and Contractor expressly waives any claim therefore.

Section 6: Owner's Contracting Officer. For purposes of this agreement, the Owner's contracting officer shall be Lacey G. Simpson, Acting City Manager or such other person as is designated in writing by such person.

Section 7: Contractor Qualifications. The Contractor expressly represents and warrants it is now and shall continue to be at all times during the performance of this agreement, the holder of all required or necessary professional, business or other licenses or permits and is qualified and capable of performing all of the work covered or called for by this agreement and is presently ready, able and willing to undertake and perform all of such work and services, and to supply all necessary materials and equipment at the times, and in a professional and workmanlike manner and pursuant to the terms, conditions and provisions, and for the compensation and payments as herein provided.

Section 8: Contractor Responsible for Personnel. The Contractor has or will secure, at Contractor's own cost and expense, all personnel required to perform this agreement in a timely and proper manner. The parties hereto agree and understand that such personnel shall in no event be deemed to be and are not employees, agents or representatives of the Owner, and the Owner shall have no responsibility or liability whatsoever to any of said persons or for the acts or omissions of any such persons.

Section 9: Independent Contractor. The parties hereto expressly agree that the Contractor shall be and is an independent contractor and is not an employee or agent of the Owner and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise and no other benefits accorded to Owner's employees. No withholding, FICA or other taxes (whether income, sales or otherwise) or other amounts will be withheld from the payments due to the Contractor, it being understood that the Contractor is solely responsible therefore, provided Owner shall be entitled to withhold such retainage or other amounts from any progress or other payments as have been provided for elsewhere in this agreement.

Section 10: Forms to be Provided to Contractor. The Owner shall provide the Contractor with any special forms required by the Owner for reporting to the Owner, and the necessary instruction regarding proper use of the forms.

Section 11: Termination.

(a) Termination for Cause. This agreement may be terminated in whole or in part in writing by Owner in the event of failure by Contractor to fulfill any of the terms and conditions of this agreement upon the giving of not less than five (5) calendar days prior written notice of intent to terminate in the manner provided in Section 21 hereof.

(b) Termination for Convenience of Owner. This agreement may be terminated in whole or in part in writing by the Owner for Owner's convenience provided the Contractor is given not less than thirty (30) calendar days prior written notice of intent to terminate in the manner provided in Section 21 hereof.

(c) In the event termination by the Owner is effected pursuant to (a) above, the Contractor shall not be entitled to receive any further payment until the work is completed, or the Owner elects to not proceed further with the project. Upon completion of the work or termination of the project in the event the Owner elects to not proceed with the project, the Contractor shall be paid as follows:

(1) In the event the costs and expense of taking over, re-advertising and completing the project or the costs of closing out the project if the Owner elects to not proceed with the project (hereinafter referred to as "close out costs") exceed the remaining unpaid amount of this agreement, any amount which was otherwise due and unpaid to Contractor at the time of termination shall be applied to such increased costs in taking over, re-advertising and completing the project or applied to close out costs and the remaining amount of such costs if any, shall be paid by the Contractor to the Owner.

(2) In the event said costs and expenses of taking over, re-advertising and completing the project or close out costs are less than the total amount which was otherwise due and unpaid to the Contractor at the time of termination, the increased costs of taking over and completing the project or the close out costs shall be deducted from the amounts due the Contractor and the balance if any, paid to the Contractor without interest.

(d) In the event termination is for the convenience of the Owner pursuant to (b) above, the Contractor shall be paid for the services or other work that have been actually performed prior to the effective time of such notice of intent to terminate and for reimbursement of any reimbursable expenses that were actually expended and paid prior to the effective time of such notice of intent to terminate, and the Owner shall not be liable or responsible for any loss of profits or any other damages, amounts or payments whatsoever to the Contractor.

(e) Upon receipt of a termination notice pursuant to paragraphs (a) or (b) above, the Contractor shall promptly discontinue all services unless the notice directs otherwise, and deliver or otherwise make available to the Owner all data, drawings, notes, specifications, reports, estimates, summaries, work in progress, and any and all other information and/or materials as may have been accumulated by the Contractor in performing this agreement, whether completed or in progress, and free and clear of any mechanics or other liens or claims in favor of Contractor or any other person.

(f) Upon termination pursuant to paragraphs (a) or (b) above, the Owner may, but shall not be required to, take over the work and prosecute the same to completion by agreement with another person or otherwise, may elect to complete the work itself or to not proceed further with the work and project.

(g) If after termination by the Owner pursuant to (a) above, it is determined that the Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Owner. In such event, adjustment of the amounts to be paid to Contractor for termination shall be made as provided in paragraph (d) of this section.

(h) No other damages, whether for lost profits or otherwise, other than the amounts allowed and computed as provided for in this section shall be due or payable to Contractor in the event of termination.

Section 12: Changes or Modifications. Any change in any regulations or requirements applicable to the work called for herein, made, caused or imposed by, or as a result of the action of any state, federal or other governmental agency that has or will provide all or any portion of any funds for payment for the work or project which is the subject of this agreement, shall automatically become a part of an amendment to this agreement and the Contractor shall comply therewith.

Section 13: Conflict of Interest. The Contractor covenants, warrants and represents that the Contractor has no interest and shall not acquire any interest, direct or indirect which would conflict in any manner with the subject matter or the performance of this agreement. The Contractor further covenants, warrants and represents that in the performance of this agreement, no person having any such interest shall be employed.

Section 14: Reporting and Records.

(a) Contractor shall furnish regular quarterly activity reports to Owner and these reports shall relate the extent of Contractor's activities accomplished and scheduled pursuant to this agreement.

(b) Contractor shall furnish Owner with an annual financial report showing all funds received and expenditures incurred during the Contractor's last fiscal year that relate to the activities scheduled and accomplished pursuant to this agreement.

(c) At any time during normal business hours and as often as the Owner or any agency providing any portion of the funds provided to the Owner for this project deems necessary, there shall be made available to the Owner or to such other funding agency and/or their representatives, at a location within the City of Ketchikan or other location acceptable to the Owner, any and all books, records and documents regarding matters covered or related to this agreement, the performance of or payment for, the work called for herein and the Owner and/or such agencies shall be entitled to make audits and copies of all books, records, contracts, invoices, receipts, payrolls, records of personnel and other documents or data relating to any and all matters covered by this agreement or performance or payment for the work called for herein.

(d) The performance and administration of this program and this agreement will be monitored by the Owner and such other agencies as may be required or authorized pursuant to the terms of any grant to the Owner. Necessary reports in proper form will be required as a prerequisite to any payment to the Contractor.

(e) All project records shall be maintained by the Contractor for not less than three (3) years after completion and final acceptance of all work by the Owner and shall be subject to inspection and copying by the Owner or any funding agency during said period.

Section 15: Hold Harmless and Indemnity. The Owner, its officers, employees and agents shall not be held liable for any claims, liabilities, penalties, fines or for damage to any goods, properties or effects of any person whatsoever, nor for any personal injury or death, caused by or resulting from any act or omission of Contractor or by any of Contractor's officers, employees, agents, representatives, contractors or subcontractors in the performance or non-performance of this agreement, and Contractor further agrees to appear and defend, and to indemnify and save free and harmless the Owner and its officers, employees and agents from and against any of the foregoing claims, liabilities, penalties, fines or damages, whether or not valid and for any cost and expense, including reasonable attorney's fees incurred by the Owner, its officers, employees or agents on account of any claim therefore, including claims by reason of any defects in any plans, drawings, specifications, computer programs, technical reports or other work product of Contractor prepared for or submitted to the Owner pursuant to this agreement provided said claim is not based upon a use of said plans, drawings, specifications or other work product for other than the purposes for which such data was prepared and submitted to the Owner.

Section 16: Insurance.

(a) **Public Liability Insurance.** Contractor agrees to keep and maintain in full force at Contractor's expense during the entire period of the project or work called for herein, broad form comprehensive public liability insurance with limits of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit insuring Contractor and the Owner as an additional named insured, from any and all claims for bodily injury and death, and for property damage that may arise out of or in relation to, this agreement. Such insurance shall require the insurance company to give not less than thirty (30) days prior written notice to Owner prior to any cancellation, nonrenewal or reduction in the amount of coverage of such insurance coverage.

(b) Each policy or a certificate of the policy together with evidence of payment of premiums shall be deposited with the Owner prior to execution of this agreement by the Owner and on renewal of the policy not less than twenty (20) calendar days before expiration of the term of the policy.

Section 17: Independent Contractor; No Authority to Bind Owner. The parties hereto agree that Contractor is an independent Contractor and is not and shall not be construed to be a partner, joint venturer, employee or agent of the Owner, and shall not and is not authorized to enter into or make any contracts, agreements to enter into any understanding with any other person, corporation, partnership, joint venturer or other entity, in the name of or for the benefit of the Owner.

Section 18: No Third Party Beneficiaries. Nothing in this agreement shall be construed to give any person other than the Owner and the Contractor any legal or equitable right, remedy or claim under this agreement, but it shall be held to be for the sole and exclusive benefit of the Owner and the Contractor.

Section 19: Payment of Taxes. The Contractor shall timely pay all federal, state and local sales, excise or other taxes or assessments incurred by the Contractor.

Section 20: Assignment and Subletting Prohibited. The Contractor shall not assign, transfer, convey, pledge, hypothecate, sublet, subcontract or otherwise dispose of or encumber this agreement or the rights thereunder, nor shall the Contractor delegate any of his/her/its duties hereunder without the prior written consent of the Owner. Any such attempted assignment, transfer, conveyance, pledge, hypothecation, subletting or other disposition or the attempted assignment, disposition, delegation of duties or rights shall be null and void, and of no force or effect and shall be grounds and cause for immediate termination of this agreement without liability by and at the option of the Owner.

Section 21: Notice. Any notice, demand, request, consent, approval or other communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first class mail at the address set forth below. Either party may change its address by notifying the other party of its change of address in writing. Notice shall be deemed to have been duly made and given when delivered if served personally or upon the expiration of twenty-four (24) hours after the time of mailing, if mailed as provided in this section.

Owner: Lacey G. Simpson, Acting City Manager
City of Ketchikan
334 Front Street
Ketchikan, Alaska 99901

Contractor: Deb Asper, Board Chair
First City Homeless Services
P.O. Box 23095
Ketchikan, AK 99901

Section 22: Equal Employment Opportunity.

(a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age or sex. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, national origin, ancestry, age or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

(b) The Contractor shall state in all solicitations or advertisements for employees to work on contract jobs to be let in the performance of this agreement, that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, age or sex.

(c) The Contractor agrees to fully cooperate with the office or agency of the State of Alaska which seeks to deal with the problem of unlawful or invidious discrimination and with all other state efforts to guarantee fair employment practices under this agreement and said Contractor will comply promptly with all requests and directions from the State Commission of Human Rights or any of its officers or against relating to prevention of discriminatory employment practice.

(d) Full cooperation as expressed in the foregoing clause (c) shall include, but not be limited to, being a witness in any proceeding involving questions of unlawful or invidious discrimination if such is deemed necessary by any official or agency of the State of Alaska, permitting employees of said Contractor to be witnesses or complainants in any proceeding involving questions of unlawful or invidious discrimination, if such is deemed necessary by any official or agency of the State of Alaska or the Owner, participating in meetings, submitting periodic reports of the equal employment aspects of present and future employment, assisting in inspection of relevant facilities and promptly complying with all state directives deemed essential by any office or agency of the State of Alaska or the Owner, to ensure compliance with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practices.

(c) Failure to perform any of the above agreements pertaining to equal employment opportunities shall be deemed a material breach of the contract and sufficient grounds for termination of this agreement for cause without liability.

Section 23: Worker's Compensation Coverage. The Contractor, if subject to the provisions of the Alaska Worker's Compensation Act (AS 23.30), shall upon request, provide the Owner and the State of Alaska with proof, furnished by the insurance carrier of current coverage by worker's compensation with an insurance company or association authorized to transact such business in the State of Alaska, or an approved current certificate of self-insurance by the Alaska Worker's Compensation Board. The Contractor further acknowledges and agrees that in the event it fails to maintain proper worker's compensation coverage, the state will implement the provisions of AS 23.30.045(c) and the Owner at its option, may terminate this agreement for cause without liability.

Section 24: Pay Requests, Statement Concerning Claims and Final Release. All pay requests, whether for a progress payment or final payment, shall be made to Owner in writing with final pay request to be received no later than the second Friday in January of the following year.

Section 25: Miscellaneous.

(a) **Relationship of Parties.** Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party as creating the relationship of principal and agent or of partnership, or of joint venture between the parties hereto, it being understood and agreed that neither method of computation of payment nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Owner and an independent contractor.

(b) **Terminology.** Whenever herein the singular number is used, the same shall include the plural and the masculine gender shall include the feminine and neuter genders.

(c) **Nonwaiver.** No delay or omission of the right to exercise any power by either party shall impair any such right or power or be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term or condition of this agreement by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

(d) **Law Applicable.** The laws of the State of Alaska shall govern the construction, validity, performance and enforcement of this agreement. Venue as to any action, claim or proceeding arising out of or based upon this agreement, including but not limited to, any action for declarative or injunctive relief, shall be the appropriate court sitting in the City of Ketchikan, First Judicial District, Alaska.

(e) **Paragraph Headings.** The headings of the several sections and subsections contained herein are for convenience only and do not define, limit or construe the contents of such sections and subsections.

(f) Successors and Assigns. Except as otherwise provided herein, the covenants, agreements and obligations herein contained shall extend to bind and inure to the benefit not only of the parties hereto, but their respective personal representatives, heirs, successors and assigns.

(g) Compliance with Laws and Regulations. Contractor shall at Contractor's sole cost and expense, comply with all of the requirements of local, state or federal laws, ordinance or regulations now in force or which may hereafter be in force, pertaining to this agreement or the project or the work to be performed, and shall faithfully observe in the performance of this agreement, all local, state and federal laws, ordinances and regulations now in force or which may hereafter be in force.

(h) Terms Construed as Covenants and Conditions. Every term and each provision of this agreement performable by Contractor shall be construed to be both a covenant and a condition.

(i) Time of the Essence. Time is of the essence of each term, condition, covenant and provision of this agreement.

(j) Entire Agreement. This agreement and any schedules, appendices or exhibits attached hereto sets forth all of the covenants, promises, agreements, conditions and understandings between the parties hereto and there are no covenants, promises, agreements, conditions or understandings either oral or written, between them other than as herein set forth. Except as herein otherwise expressly provided, no contemporaneous or subsequent agreement, understanding, alteration, amendment, change or addition to this agreement or any schedule, appendix, exhibit or attachment thereto shall be binding upon the parties hereto unless reduced to writing and signed by both parties. This agreement constitutes a final, complete and exclusive statement of the agreement between the parties.

(k) Severability. In the event any provision of this agreement is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

(l) Corporate Authority. If Contractor is a corporation, Contractor shall deliver to the Owner at the time of execution of this agreement a certified copy of a resolution of its board of directors authorizing the execution of this agreement and naming the officers that are authorized to execute this agreement on behalf of the corporation.

Section 26: Maximum Amount of Contract. Contractor acknowledges and agrees Owner's funding is of a limited nature and source, and Owner shall in no event be liable for payment of any amounts under this agreement or otherwise, in excess of the total amount of ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125,000) and at such time as the total amount paid or due, or claimed by Contractor reaches a total of ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125,000). Contractor shall forthwith notify Owner thereof. It shall be the Contractor's obligation to notify Owner and to assure no work in excess of said total sum of ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125,000) is done and any work done in excess thereof shall not entitle Contractor to any payment and Contractor expressly waives any claim therefore, unless such additional work was separately authorized in writing as a written change order or amendment to this agreement prior to commencement and performance of any such additional work.

Exhibit A

Section 3. Grant Narrative Section – Detail the specific project and/or purpose of your request. Please include within your narrative responses to the bullets below:

a. What are your organization's goals and objectives using this grant money?

FCHS's mission is to provide safe, non-judgmental shelter and referral to local resources. All people are welcome at the shelter, as long as they are not a danger to themselves or others. FCHS programs focus on addressing the basic needs of inebriates, drug addicts, and mentally or emotionally dysfunctional individuals who are not able to access other community services. By doing so, FCHS is a resource for law enforcement and emergency medical services providers, receiving participants who are dropped off by KPD and EMS or transferred from PeaceHealth.

FCHS's primary goal is to keep homeless and marginally housed Ketchikan residents who are homeless alive.

Through its services, FCHS addresses the basic needs of humans: safety, shelter, nutrition and dignity. FCHS's year-round Day Shelter and seasonal Overnight Warming Center (OWC) programs provide safe, quality, and fiscally responsible shelter and associated services including: sanitary restrooms, free showers, essential personal hygiene supplies, clean socks and clothes, basic first aid supplies, distribution of donated equipment like rain gear and bedding or tents, regular nutritious meals, referrals to local resources, and assistance with tasks like completing applications or making appointments.

City of Ketchikan grant funds will be utilized to support staffing positions and to supplement our nutrition program. Maintaining trained staff is integral to safely implementing our shelter programs. Staffing positions supported by the grant will include the Shelter Program Supervisor, Day Shelter Service Workers and seasonal OWC Service Workers.

Supplying regular, basic nutrition for this very vulnerable population reduces the occurrence of illnesses and injuries that impact the Emergency Department and supports the ability of individuals to pursue employment, treatment for substance addiction, and other services. FCHS provides a morning meal each day for anyone who needs one as part of the Day Shelter program and one evening meal as part of the Overnight Warming Center, during the months that it operates. In addition, FCHS provides a light "brown bag" lunch on Saturdays. FCHS does not provide lunches Sunday-Friday because day-time meal programs are available on those days through the Salvation Army (Monday- Friday) and St. John's Episcopal Church (Sunday).

WHEREFORE, the parties have entered into this agreement the date and year first above written at the City of Ketchikan, Alaska.

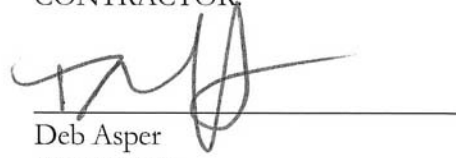
OWNER:


Lacey G. Simpson
Acting City Manager

ATTEST:

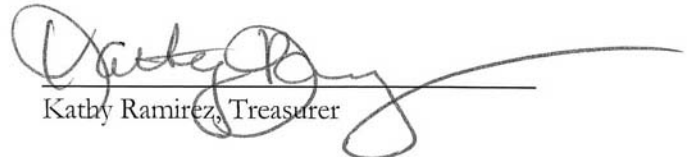

Kim Stanker
City Clerk

CONTRACTOR:


Deb Asper
Board Chair

CORPORATE CERTIFICATE

I, **Kathy Ramirez**, certify that I am the **Treasurer** of the corporation named as Contractor in the foregoing instrument; that **Deb Asper**, who signed said instrument on behalf of the Contractor was then **Board Chair** of said corporation; that said instrument was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

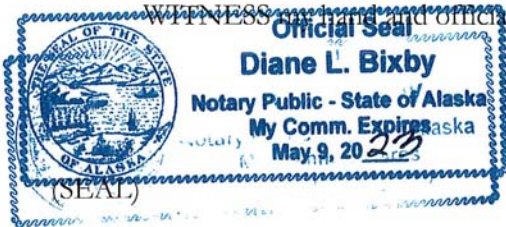

Kathy Ramirez, Treasurer

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of July, 2022, before me, the undersigned a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Lacey G. Simpson** and **Kim Stanker** to me known to be the **Acting City Manager** and **City Clerk** of the City of Ketchikan, Alaska, a municipal corporation, the corporation which executed the above and foregoing instrument and who on oath stated that they were duly authorized to execute said instrument and acknowledged that they signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.



Diane L. Bixby
Notary Public for Alaska
Commission Expires: 5/9/2023

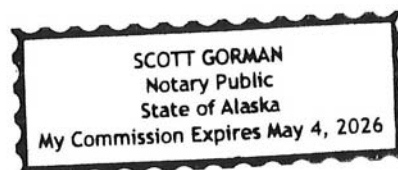
STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 24th day of June, 2022, before me, the undersigned a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Deb Asper** and **Kathy Ramirez** to me known to be the **Board Chair** and **Treasurer** of First City Homeless Services, the corporation that executed the above and foregoing instrument and who on oath stated that they were duly authorized to execute said instrument and acknowledged that they signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.

(SEAL)

Scott Gorman
Notary Public for Alaska
Commission Expires: May 4th, 2026



**632 PARK AVENUE
LICENSE AND LEASE AGREEMENT**

THIS LICENSE AND LEASE is made on August 26th, 2022, by and between the **CITY OF KETCHIKAN, ALASKA**, a home rule, chartered municipality ("**Lessor**"), 334 Front Street, Ketchikan, Alaska, 99901, and **FIRST CITY HOMELESS SERVICES**, a non-profit corporation organized and existing under the laws of the State of Alaska, whose address is: Post Office Box 23095, Ketchikan, Alaska, 99901, hereinafter referred to as ("**Lessee**")

RECITALS

(a) Lessor, City of Ketchikan, Alaska, is the owner of that certain parcel of real property located at 632 Park Avenue, Ketchikan, Alaska.

(b) Lessee is a non-profit corporation that was established for of providing services to the homeless population of Ketchikan.

NOW, THEREFORE, for and in consideration of the mutual terms, covenants, and conditions herein contained, the parties hereto agree as follows:

Section 1: License and Lease of Premises. Lessor hereby licenses and leases to Lessee and Lessee hereby leases, rents, and hires from Lessor, on and subject to all of the terms, covenants, and conditions herein set forth, real property located in the City of Ketchikan, Ketchikan Recording District, First Judicial District, State of Alaska, together with all buildings, structures, improvements, fixtures and equipment located thereon, more particularly described as follows:

Lot 25C, Water Warehouse Subdivision Lots 25A and 25B
Consolidation Amending Plat 2009-15, Ketchikan Recording District,
First Judicial District, Alaska

hereinafter referred to as the "**Leased Premises**").

Section 2: Term. The term of the License and Lease are as follows:

(a) **Lease Term.** The term of the lease shall be for one year contingent on the passage of an ordinance authorizing the lease and commencing upon the effective date of that ordinance.

(b) License Term. The term of the license shall commence upon execution of this agreement by both parties. The license does not convey any real property interest in the Leased Premises and may be terminated by the Lessor upon 30 days prior written notice to Lessee.

Section 3: **Rent**. In consideration of the obligations set forth in Section 4, no rent will be paid to Lessor.

Section 4: **Use**. During the term of the lease granted herein, the Leased Premises shall be used by Lessee for the purpose of the continuous, licensed uninterrupted operation, and maintenance of the buildings owned by Lessor and utilized by Lessee for the operations of a 24-hour homeless shelter and activities incidental to the foregoing, and for no other purposes. Except as otherwise provided herein Lessee has the right and responsibility to control access to the Leased Premises.

Section 5: **Hazardous Substances**. (a) Lessee shall not use or store Hazardous Substances on the Leased Premises except to the extent allowed by applicable law. Lessee shall indemnify, defend and hold Lessor harmless from and against any and all losses, fines, damages, clean-up expenses, penalties and other Claims of every kind which arise or result in any way from or are related to Lessee's use or storage of Hazardous Materials on the Leased Premises, whether or not such use or storage is in violation of applicable law.

(b) As used in this Section, the term "Hazardous Substance" shall mean any product, substance, chemical, material or waste whose presence, nature, and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials on the Leased Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment; (ii) regulated or monitored by any governmental authority; or (iii) a basis for liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. The term "Hazardous Substance" shall include, but not be limited to, asbestos-containing materials, hydrocarbons, petroleum, gasoline, crude oil, or any products, by-products or fractions thereof.

(c) All of Lessee's obligations under this paragraph shall survive termination of the lease.

Section 6: **Extension of Term**. (a) The parties may by mutual agreements extend the Lease Term for an additional four (4) additional one (1) year terms, conditions, and provisions contained in this Lease ("Extended Term") (b) Lessee shall not assign its interest, or any portion

of its interest, in the option granted by this section without the prior written consent of the Lessor. Any attempted assignment shall be void and of no force or effect whatsoever.

Section 7: Insurance. (a) Lessee's Insurance. Lessee shall carry and maintain, during the entire term of the license and the lease hereof, at Lessee's sole cost and expense, the following types of insurance, in the amounts specified and in the form hereinafter provided for and reasonably satisfactory to the Lessor:

(1) Liability Insurance. Broad form comprehensive general liability insurance with limits of not less than One Million Dollars (\$1,000,000.00), combined single limit, or such additional amounts as are sufficient to insure against the probable amounts of potential judgments insuring against any and all liability of Lessee with respect to the Leased Premises or arising out of the maintenance, use, or occupancy thereof. The Lessor shall be named as an additional insured on general liability insurance.

(2) Worker's Compensation — Employer's Liability Insurance. Worker's Compensation Insurance as required by the Alaska Worker's Compensation Act (AS 23.30) in the required statutory amounts and Employer's Liability Coverage for bodily injury by accident in the amount of One Million Dollars (\$1,000,000.00) each accident, for bodily injury by disease One Million Dollars (\$1,000,000.00) policy limit, and for bodily injury by disease One Million Dollars (\$1,000,000.00) each employee.

(b) Waiver of Subrogation. Each of the policies of insurance required by this agreement shall contain a clause or endorsement by which the insurance companies waive subrogation or consent to a waiver of right to recovery against the Lessor.

(c) Other Insurance Matters. All the insurance required under this Lease shall:

(1) be issued by an insurance company or companies authorized to do business in the State of Alaska and approved by the Lessor; and provided further, unless such requirement is waived by the Lessor, such company or companies shall in addition thereto be a member insurer included and covered under the Alaska Insurance Guarantee Association Act (Alaska Statutes, section 21.80.010, *et seq.*).

(2) Contain an endorsement requiring thirty (30) days' prior written notice from the insurance company to both Lessee and Lessor before cancellation or any change which would modify

or alter in such manner as to decrease the types or breadth of insurance coverage, or the amount of insurance coverage relating to the Leased Premises.

(3) A copy of a Certificate of Insurance shall be provided the Lessor not later than the commencement of the Lease Term.

Section 8: Taxes. Lessee shall pay before delinquency all taxes, assessments, license fees and other charges ("taxes"), if any, that are imposed, levied or assessed by the borough, city, state or other governmental body or agency on the Leased Premises on any personal property of Lessee and upon any improvements or alterations made to the Leased Premises by or on behalf of Lessee.

Section 9: Condition of Leased Premises. By entering into possession of Leased Premises Lessee acknowledges and agrees that **EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE LEASED PREMISES ARE BEING LEASED "AS-IS" IN THEIR PRESENT CONDITION AND STATE OF REPAIR, WITH NO EXPRESS OR IMPLIED REPRESENTATIONS, STATEMENTS, OR WARRANTIES BY LESSOR AS TO PHYSICAL CONDITIONS, QUALITY OF CONSTRUCTION, WORKMANSHIP, STATE OF REPAIR, OR FITNESS FOR ANY PARTICULAR PURPOSE ALL OF WHICH ARE SPECIFICALLY DISCLAIMED BY LESSOR. LESSOR MAKES NO WARRANTIES REGARDING THE LEASED PREMISES' COMPLIANCE WITH LAW.**

Section 10: Utilities and Services. Lessee shall arrange for and pay any and all utilities and services to the Leased Premises, including electricity, telephone, alarm system monitoring, water, and garbage collection, at no cost or expense to Lessor.

Section 11: Improvements. (a) No structural improvements, alterations, or additions, and no modifications thereto, shall be made in, on, or about the Leased Premises by Lessee without the prior written consent of the City Manager and all such improvements, structures, alterations, additions, and work so consented to shall be accomplished in accordance with any conditions relating thereto and stated in writing by the City Manager. The City Manager will not unreasonably withhold permission for the requested improvements.

(b) In the event any improvements, alterations, or additions of a structural nature are erected or installed by Lessee, they shall at once become part of the realty, building, or land upon or within which they are erected and shall immediately become the property of, and title thereto shall vest in

Lessor, and shall be surrendered with the premises on expiration of the term or termination of this Lease, except that if Lessor has in writing given Lessee permission to construct such structural improvements, alterations, or additions only upon the condition that they be removed at the termination of this Lease or any Extended Term hereof, then such "conditional structural improvements" shall at the termination of this Lease or any Extended Term hereof, and in no event later than thirty (30) days after such date of expiration or termination, be removed at Lessee's sole expense and the premises restored to its former condition.

(c) Notwithstanding any other provisions herein, Lessor shall have the right, at any time, to require the immediate removal of any improvements, structures, or alterations, or additions installed without the prior consent of Lessor.

(d) In the event the removal of any such installation or alterations damages any part or parts of the buildings, pavements, or other portion of the Leased Premises, Lessee shall immediately repair such damage and restore said damaged part or parts of said building, pavements, or premises to the satisfaction of Lessor's City Manager, which such approval shall not be unreasonably withheld.

Section 12: Repair and Maintenance. Lessee shall, at its sole cost, maintain, or repair and replace all other parts of the Leased Premises which are not required to be maintained by Lessor, including, but not limited to, all interior finishes and fixtures such as paint, woodwork, cabinets, counter tops, tile, carpeting, ceiling tiles, acoustical panels, interior doors and hardware, faucets, handles, drinking fountains, sinks, toilets, toilet partitions, electric hand dryers, light fixtures, etc.; and Lessee's improvements, trade fixtures and equipment; provided, however, that Lessor shall make any repairs necessitated by the act, omission or neglect of Lessor, or its agents, employees or contractors.

Section 13: Right of Lessor to Enter, Inspect and Make Repairs. (a) Lessor, through its authorized employees, agents, contractors, subcontractors, and other representatives, shall have the right, but not the duty, to enter upon any of the Leased Premises for any or all of the following purposes:

(1) to inspect such premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether Lessee has complied with and is complying with the terms and conditions of this Lease;

(2) to perform maintenance and make repairs and replacements in any case where Lessee is obligated by Section 12 of this document to do so and has failed after due notice so to do, in which event Lessee shall reimburse Lessor for the cost thereof promptly upon demand;

(3) to make any repairs and replacements in any case where Lessor is obligated so to do; and in any other case where Lessor, in its reasonable judgment, determines that it is necessary or desirable so to do in order to preserve the structural safety of such premises or the building in which they are located or to correct any condition likely to cause injury or damages to persons or property; and provided further, that the cost and expense of any repairs or maintenance to the Leased Premises, or other buildings, structures, improvements, or the mechanical or other equipment therein whether or not such was occasioned by the negligence or misuse by Lessee, its employees, agents, contractors, or representatives, its customers, invitees, or any person suffered to be on the premises by Lessee, shall, upon demand thereof by Lessor, be reimbursed to Lessor within ten (10) days thereafter.

(b) All entries made for any purpose enumerated in subparagraphs (1) through (3) above, shall, unless otherwise provided herein, be without abatement of rent, and Lessor may, for that purpose, erect scaffolding or use other necessary equipment and Lessee shall not claim, or be allowed, or be paid, any damages for such injury or inconvenience and any such claims are hereby expressly waived. Any undertakings by the Lessor must be made with consideration of the Lessee's provision of services to the extent of not causing any loss of business.

(c) No entry for any of the purposes authorized in this section by or on behalf of Lessor shall cause or constitute a termination of the letting hereof or be deemed to constitute a constructive or actual eviction or an interference with the possession or the quiet enjoyment of Lessee.

(d) In the event the actions taken by Lessor are as a result of events, damage, or destruction within the provisions of Section 15 [Damage or Destruction] of this Lease, the provisions of said Section 15 shall Control.

Section 14: No Mechanics Liens. Lessee covenants to keep the Leased Premises and all improvements thereon at all times during the term hereof free of mechanic's liens and any other liens, claims, or encumbrances which may be asserted by reason of any acts or work done by or at the instance or pursuant to the authority of Lessee, its agents or contractors, and to at all times protect fully and indemnify Lessor against any and all such liens, encumbrances, or claims and against all attorneys' fees and other costs and expenses growing out of or incurred by reason of or on account of any such liens,

encumbrances, or claims. Should Lessee fail to fully discharge any such liens, encumbrances, or claims, Lessor shall be entitled to pay or contest such lien at Lessee's sole cost and expense, including reasonable attorneys' fees and costs incurred by Lessor, unless Lessee shall, within fifteen (15) days from the date of written demand by Lessor, deposit with Lessor a sum of money equal to the full amount claimed pursuant to such lien, encumbrance, or claim, which sum shall be deposited or invested in accordance with Lessee's normal investment policy. If a lien or other claimant shall obtain a final judgment for all or a portion of his or her lien or claim, Lessor shall be entitled to use all or any portion of the funds deposited with Lessor in payment and satisfaction of such judgment. Any amount remaining unpaid shall be paid by Lessee, and any remaining balance together with the interest actually earned by Lessor, minus any attorneys' fees, costs, or expenses, shall be repaid to Lessee. All amounts so paid by Lessor from Lessor's funds, together with interest thereon at the rate provided in Section 26(j) hereof from the time of payment by Lessor until repayment by Lessee, shall be paid by Lessee to Lessor not later than fifteen (15) days after demand therefore and if not so paid shall continue to bear interest at the aforesaid rate, and Lessor may, at its option, treat the failure to pay any such liens, encumbrances, claims, or other amounts as herein specified, as a material breach and default of this Lease.

Section 15: Damage to Premises. (a) In the event the Leased Premises are damaged by fire or other casualty, the Lessor shall have the option either (a) to repair or restore such damage with this agreement continuing in full force and effect, or (b) give notice to Lessee at any time within thirty (30) days after such damage terminating this agreement as of a date to be specified in such notice. In the event of the giving of such notice, this agreement shall expire and all interest of Lessee in the Leased Premises shall terminate. The Lessor shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements of any property installed in the Leased Premises by Lessee.

(b) Notwithstanding any other provision herein, in the event of such damage, Lessee shall have the option to terminate this agreement if Lessee determines, in its sole discretion, that by reason of such damage, the Leased Premises is no longer suitable for Lessee's purposes.

Section 16: Condemnation. (a) Entire Taking. In the event that the entire Leased Premises are taken by eminent domain for public or quasi-public purposes, including a taking by inverse condemnation, this Lease shall terminate as of the date of such taking and the entire award shall be paid to Lessor. The date of taking shall be the date actual physical possession is taken by the condemning

agency. From this award (but in no event in excess of it, and from no other source) Lessor shall pay only to Lessee an amount equal to that part, if any, of the award which has been expressly computed and made for fixtures installed upon the Leased Premises which Lessee is expressly entitled to remove upon the termination of this Lease, plus the unamortized cost of any leasehold improvements taken which had been made at Lessee's expense, whether or not Lessee has the right to remove the same upon the termination of this Lease. Lessee agrees to and hereby waives any right to assert or claim any additional part of said total award other than the value of said fixtures taken, including any claim for bonus value of the lease or leasehold interest taken and expressly agrees the total award other than the value of said fixtures shall be paid to and retained by Lessor without deduction.

(b) Partial Taking. In the event that only a part of the Leased Premises are taken in such eminent domain proceedings, including a taking by inverse condemnation, this Lease shall automatically terminate as to the part taken, and the rent provided herein shall be adjusted for the remainder of the Leased Premises so that Lessee shall pay for the balance of the term rent in the same ratio to the rent herein reserved that the value of the part of the Leased Premises remaining after condemnation bears to the value of the Leased Premises as of the date of valuation in such condemnation action. The rental shall be so apportioned by negotiation and if negotiations are unsuccessful, application will be made to the Superior Court sitting in Ketchikan for a determination of the issue. Pending determination of the apportioned rent as aforesaid, Lessee shall pay the rent herein reserved at the time and in the manner provided without deduction, and upon the determination of the apportioned rent as aforesaid, Lessee shall be entitled to credit for all excess rental paid without interest. Further, in the event of such a partial taking, Lessee shall be paid from the award (but in no event in excess of it, or from any other source) an amount equal to that part, if any, of the award which has been expressly computed and made for any fixtures taken which Lessee is expressly entitled to remove upon the termination of this Lease, plus the unamortized cost of any leasehold improvements taken which had been made at Lessee's expense, whether or not Lessee has the right to remove the same upon the termination of this Lease.

Section 17: Default and Remedies: Termination After Notice and a Reasonable Opportunity to Cure. (a) Defaults Involving Payment of Money and Insurance. In the event Lessee shall at any time (1) fail, neglect, or refuse to pay the rent or any part thereof as herein agreed, or (2) fail, neglect, or refuse to pay or apply when due any other sum or sums which may become due from or payable by Lessee hereunder, or (3) shall fail, neglect or refuse to maintain and/or pay for any insurance coverage, or apply the proceeds thereof, as required herein, and in the event such failure, neglect or

refusal shall continue after expiration of a period of ten (10) business days from and after written notice thereof is given by Lessor, this Lease and its option or any Extended Term thereof may be immediately terminated by Lessor without the necessity of any further notice or action by Lessor.

(b) Other Term Defaults. Should Lessee default in any obligation, not included within (a) above, imposed upon Lessee pursuant to the terms of this Lease, Lessor shall give Lessee notice in writing specifying the default with sufficient particularity so that Lessee can understand the nature of such default. Not later than ten (10) days after the date of such notice, Lessee shall provide Lessor with a notice in writing indicating that Lessee will within ten (10) days from the date of Lessee's notice commence specified actions designed to cure the alleged default and shall diligently pursue such actions to completion thereafter. In the event Lessee fails to timely provide the aforescribed notice to Lessor or should Lessee timely provide the notice and then fail to diligently pursue a cure of the alleged default, then this Lease and its option or any Extended Term hereof may thereupon be immediately terminated by Lessor without the necessity of any further notice or action by Lessor.

(c) Termination of License. Notwithstanding any provision to the contrary in this Section 17, Lessor may terminate the license under Section 2(b)

Section 18: Surrender of Possession or Abandonment. (a) At the expiration or termination of the tenancy created hereunder, whether by lapse of time or otherwise, Lessee agrees to surrender the Leased Premises in as good a condition and repair as received, reasonable wear and tear excepted.

(b) Upon the expiration of the tenancy hereby created, or relinquishment of possession of Lessee for any reason, Lessee shall promptly remove, and in any event not later than thirty (30) days after relinquishment of possession or demand for removal by Lessor, whichever first shall occur, all of Lessee's personal property from the Leased Premises and any fixtures or other improvements or alterations placed in or on the Leased Premises by Lessee and which Lessee is under this Lease entitled or required to remove and in addition thereto Lessee shall repair any damage occasioned by such removals, at Lessee's expense, and in default thereof, Lessor may effect such removal and/or repair and Lessee shall pay Lessor the cost thereof, with interest at the rate specified in Section 27(j) hereof from the date of payment by Lessor, until paid in full, plus any other damages caused thereby.

(c) Lessee shall not vacate or abandon the Leased Premises at any time during the term of this Lease and, in such event, title to any personal property, fixtures, or other improvements left on the

Leased Premises shall be deemed to be vested in Lessor and Lessee shall be deemed to have abandoned, waived and relinquished all right, title, claim, and interest therein to Lessor.

Section 19: Holding Over. If Lessee with Lessor's consent remains in possession of the premises after expiration or termination of the term, such possession by Lessee shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' notice given at any time by either party with the Lessor's option to transfer all property, buildings, and contents thereof to Lessee after expiration or termination of the term. During any such month-to-month tenancy Lessee shall pay all rent required by this Lease pro-rated on a monthly basis, on or before the tenth (10th) day of the month for which such rent is due. All provisions of this Lease, except those above referenced to and those pertaining to the Lease Term and option to extend, shall apply to the month-to-month tenancy. If Lessee remains in possession without the consent of the Lessor, Lessee shall be a tenant, at sufferance only, however shall be responsible for payment of all the rents, fees, insurance premiums, charges, and compliance with all the terms and conditions of this Lease, in addition to any other damages otherwise suffered by reason thereof by Lessor.

Section 20: Dissolution of Non-Profit. In the event Lessee's agency is dissolved, Lessor shall have the right to repossess the Leased Premises within the process of law, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, including damages arising out of any breach on the part of the Lessee.

Section 21: Nondiscrimination and Affirmative Action. Lessee agrees that it shall not discriminate in hiring employees or in making services available on the basis of race, creed, religion, color, sex, age, marital status, or national origin. Lessee further agrees that to the extent required by law it will comply with the affirmative action requirements of state, local and federal governments.

Section 22: Lessor's Reservation of Rights. The rights and privileges granted to Lessee in this Lease are the only rights and privileges herein granted to Lessee; and Lessee has no easements, rights or privileges, express or implied, other than those specifically herein granted by Lessor.

Section 23: Assignment and Subletting. (a) Lessee shall not assign this Lease or any part thereof, or the option to extend the Lease Term provided for in Section 6 hereof, without the prior written consent of the Lessor. Any such attempted assignment without the prior written consent of Lessor shall be void and of no force or effect and may, at the option of Lessor, be deemed a material breach and default and a basis for termination of this Lease.

(b) Lessee shall not sublet any portion of the Leased Premises without the prior written consent of Lessor.

(c) Consent given on one occasion shall not be construed as, or constitute waiver of the requirement of consent as to any subsequent or further assignment or subletting. In the event of assignment or subletting, Lessee shall remain liable and responsible for performance of all the terms, covenants, conditions, and provisions provided for in this Lease, including payment of rent and other charges herein provided, and Lessor may require any assignee or sublessee to affirmatively agree to perform all the terms and conditions of this Lease.

(d) Lessor consents to Lessee making space available for tour vendors and similar businesses for making sales and charging a fee for such use.

Section 24: Subordination. The Lessee acknowledges and agrees that this Lease, and all rights hereunder, shall be subject and subordinate to all prior exceptions, reservations, leases, licenses, easements, restrictions, and rights-of-way of record now existing in, on, to, over, or affecting the Leased Premises and Lessee hereby agrees not to violate any such exceptions, reservations, leases, licenses, easements, restrictions, or rights-of-way. Lessor makes no warranties or representations as to its title to the Leased Premises but leases only whatever interests it has in the Leased Premises.

Section 25: Hold Harmless and Indemnity. Lessee further specifically obligates itself to Lessor in the following respects, to-wit:

(a) To indemnify and appear and defend Lessor against and save Lessor, its elected and appointed officials and employees, harmless from any and all claims, damages, losses, costs and expenses, including reasonable attorneys' fees incurred, whether or not suit is filed, and for injuries to property, including loss of use and theft, injuries to persons, including death, and from any other claims, suits or liability arising out of or resulting from the use or occupation of the Leased Premises by Lessee, its officers, employees, agents, contractors, or subcontractors, representatives, customers, invitees, or by any persons suffered to be on the Leased Premises by Lessee, or caused in whole or in part by any act or omission of Lessee, or any of its officers, agents, employees, representatives, servants, or subcontractors, or anyone employed by them, or for whose acts Lessee may be liable, or by Lessee's customers, invitees, or any person on or about the Leased Premises, to the extent Lessee may be liable.

(b) To pay for all materials furnished, and all work and labor supplied, at the request or instance of Lessee in regard to the Leased Premises, and all sales, excise or other taxes, and to satisfy Lessor thereupon whenever demand is made, and to indemnify Lessor against and save it harmless from any and all claims, suits or liens therefor.

(d) To obtain and pay for all permits and licenses, and to comply with all laws, ordinances, and regulations bearing on work and the conduct thereof.

(e) Lessee, its successors and assigns, further agree to, and shall, appear and defend, and shall indemnify and hold Lessor, its elected and appointed officials, employees, agents, successors and assigns harmless against any of the foregoing claims or liabilities and shall pay any and all costs and expenses, including, but not limited to, court costs and attorneys' fees incurred by Lessor and said persons on account of such liabilities or claims. The failure of Lessor at anytime to enforce the provisions of this Lease concerning insurance coverage shall not constitute a waiver of those provisions nor in any respect reduce the obligation of Lessee to defend and to hold and save Lessor and said persons harmless with respect to any claims or items of injury or damage covered by this section.

Section 26: Miscellaneous. (a) Relationship of Parties. Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither method of computation of rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

(b) Terminology. Whenever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders.

(c) Nonwaiver. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or shall be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term, or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term, or condition. The consent or approval by either party to or any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

(d) Law Applicable. The laws of the State of Alaska shall govern the construction, validity, performance, and enforcement of this Lease. Venue as to any action, claim, or proceeding arising out of, or based upon this Lease, including, but not limited to, any action for declaratory or injunctive relief, shall be the appropriate Court sitting in the City of Ketchikan, First Judicial District, Alaska.

(e) Paragraph Headings. The headings of the several sections and subsections contained herein are for convenience only and do not define, limit, or construe the contents of such sections and subsections.

(f) Successors and Assigns. Except as otherwise provided herein, the covenants, agreements, and obligations herein contained shall extend to bind and inure to the benefit not only of the parties hereto but their respective personal representatives, heirs, successors and assigns.

(g) Compliance with Laws and Regulations. Lessee shall not use or occupy the Leased Premises for any unlawful purpose and shall, at Lessee's sole cost and expense, observe and comply with all of the requirements of all local, state, or federal laws, ordinances, or regulations now in force, or which may hereafter be in force, pertaining to Lessee or Lessee's use or occupancy of the Leased Premises.

(h) Notice of Claims or Damages. Lessee shall give prompt notice to Lessor, in case of fire or accidents on or about the Leased Premises, or of any defects therein.

(i) Terms Construed as Covenants and Conditions. Every term and each provision of this Lease performable by Lessee shall be construed to be both a covenant and a condition.

(j) Interest on Amount Unpaid. Except as otherwise provided herein, any sum not paid when due pursuant to the terms of this Lease shall thereafter bear interest at the rate of ten and one-half percent (10.5%) per annum from the date the same was payable.

(k) Time of the Essence. Time is of the essence of each term, condition, covenant, and provision of this Lease.

(l) Entire Agreement. Lessee acknowledges that it has read this entire Lease, has fully understood the provisions thereof, was satisfied therewith, and signed the same of its own free will. Lessee further acknowledges that any prior contracts, promises, representations, or agreements, between Lessee and Lessor, its officers, councilmen, mayor, employees, agents, and servants, relating to the lease

of the subject premises, are hereby extinguished; that there are no oral or written promises, representations, or agreements between Lessee and Lessor or the persons above referred to relating to the lease of the subject premises other than as set forth in this Lease, and that this Lease constitutes the entire and only agreement between Lessor. and Lessee relating to the lease of the subject premises.

(m) Notice. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the other party at the address set forth above. Either party may change its address by notifying the other party of its change of address in writing. Notice shall be deemed to have been duly made and given when delivered if served personally, or upon mailing if mailed as provided in this section.

(n) Cooperation. Lessor and Lessee understand and acknowledge that in many instances the effective performance of this Lease by one party may require the cooperation of the other. Therefore, both parties agree that in such situations they shall cooperate with each other in good faith.

(o) Remedies Cumulative. Each of the rights and remedies of the parties hereto shall be construed as cumulative and to be in addition to any other rights or remedies that may now or hereafter be provided law or equity.

WHEREFORE the parties have entered into this Lease the date and year first above written at the City of Ketchikan, Alaska.

LESSOR:
CITY OF KETCHIKAN, ALASKA

By: 
Lacey Simpson, Acting City Manager

ATTEST:


Kim Stanker, City Clerk

LESSEE:
FIRST CITY HOMELESS SERVICES

By: 

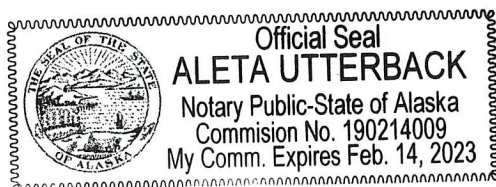
STATE OF ALASKA


FIRST JUDICIAL DISTRICT

)
) ss:
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THIS IS TO CERTIFY that on this 26th day of August, 2022, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **LACEY SIMPSON** and **KIM STANKER**, to me known to be the Acting City Manager and City Clerk of the **CITY OF KETCHIKAN, ALASKA**, a Municipal Corporation, the corporation which executed the above and foregoing instrument, and who on oath stated that they were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation, and that the seal affixed thereto is the corporate seal thereof, and acknowledged that they signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.





Notary Public for Alaska
My Commission Expires: 2/14/2023

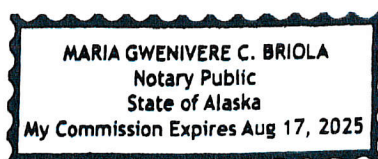
STATE OF ALASKA


FIRST JUDICIAL DISTRICT

)
) ss:
)

THIS IS TO CERTIFY that on this 26th day of August, 2022, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Deborah Asper and Kathy Ramirez, to me known to be the **PRESIDENT** and the **SECRETARY** of **FIRST CITY HOMELESS SERVICES**, an Alaska Corporation, the corporation which executed the above and foregoing instrument, and who on oath stated that they were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation, and that the seal affixed thereto is the corporate seal thereof, and acknowledged that they signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.





Notary Public for Alaska
My Commission Expires: August 17, 2025

THE CITY OF KETCHIKAN, ALASKA

ORDINANCE NO. 22-1944

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA AUTHORIZING A LICENSE AND LEASE AGREEMENT BETWEEN THE CITY OF KETCHIKAN AND FIRST CITY HOMELESS SERVICES FOR PROPERTY LOCATED AT 632 PARK AVENUE, KETCHIKAN, ALASKA; PROVIDING FOR THE FILING OF REFERENDUM PETITIONS; AND ESTABLISHING AN EFFECTIVE DATE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA, AS FOLLOWS:

Section 1. **Approval:** Pursuant to Charter Sections 5-16(a) and 5- 17(a)(2) the Lease aspects of the License and Lease between First City Homeless Services, copies of which were available to be reviewed by the City Council at the March 17, 2022 City Council meeting, is hereby exempted from all competitive bidding requirements, and authorized in accordance with Charter Section 5-17(a). Copies of said agreement are available for public inspection in the Office of the City Clerk, 334 Front Street Ketchikan, Alaska.

Section 2. **Effective Date:** In accordance with Charter Section 5-17, if one or more referendum petitions with signatures are properly filed within one (1) month after passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until this ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one (1) month after its passage and publication.

PASSED ON FIRST READING _____ March 17, 2022 _____.

FINAL PASSAGE _____ April 7, 2022 _____.

Dave Kiffer, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

April 7, 2022

2022 Community Grant Program Funding Agreement – First City Homeless Services

Moved by Gass, seconded by Gage, the City Council direct the Acting City manager to enter into a 2022 funding agreement with First City Homeless Services (FCHS) in the amount of \$110,500; authorize a budget transfer in the amount of \$40,500 from Appropriated Reserves of the Marijuana Sales Tax Fund to the Mayor and City Council's 2022 Humanitarian Services Grant Program's Grants Awards Account No. 610.02; approve funding in the amount of \$110,500 from the Mayor and City Council's 2022 Humanitarian Services Grant Program's Grants Awards Account; and direct the Acting City Manager to sign the funding agreement on behalf of the City Council.

Councilmember Gass stated the reason for the lesser amount was to preserve the Marijuana Sales Tax Fund as FSHS's request was substantially more than their 2021 request.

Moved by Gage, seconded by Kistler, to amend by increasing the 2022 funding agreement to First City Homeless Services amount to \$125,000; and authorize a budget transfer in the amount of \$54,000 from Appropriated Reserves of the Marijuana Sales Tax Fund.

Acting City Manager answered questions from the Council.

Motion to Amend passed with Flora, Zenge, Gage, Bradberry and Kistler voting yea; Gass and Mahtani voting nay.

Main Motion as amended passed with Zenge, Bradberry, Flora, Mahtani, Kistler, Gass and Gage voting yea.

2021-2023 Collective Bargaining Agreement Between the City of Ketchikan d/b/a Ketchikan Public Utilities and the International Brotherhood of Electrical Workers, Local 1547

Mayor Kiffer informed there has been an executive session scheduled if the Council needs more information.

Moved by Bradberry, seconded by Mahtani, the City Council approve the 2021-2023 Collective Bargaining Agreement between the City of Ketchikan d/b/a Ketchikan Public Utilities and the International Brotherhood of Electrical Workers, Local 1547 and direct the Acting General Manager to execute the agreement on behalf of the City Council.

Acting City Manager Simpson stated the final agreement follows Council direction in terms of the wage and benefit improvements that were negotiated successfully with I.B.E.W.

Motion passed with Flora, Mahtani, Kistler, Gage, Zenge and Bradberry voting yea; Gass abstain.

Regular City Council meeting was called to order by Mayor Kiffer at 7:01 p.m., August 18, 2022, with the following members present: Riley Gass, Janalee Gage, Jai Mahtani, Abby Bradberry, Judy Zenge, Mark Flora (via WebEx) and Lalette Kistler.

The Pledge of Allegiance was given by all persons in Council Chambers.

Mayor Kiffer stated the Recital of Native Lands Acknowledgement.

Staff present were Acting City Manager Simpson, Finance Controller Hart, City Attorney Seaver, Public Works Director Hilson, Police Chief Walls, Fire Chief Hines, Library Director Tully, Electric Division Operations Manager Adams, Deputy Clerk Lee and City Clerk Stanker.

PUBLIC HEARING

Mayor Kiffer called the public hearing on Ordinance No. 22-1949 to order at 7:02 p.m. and requested public testimony.

As there was no testimony, Mayor Kiffer declared the public hearing closed at 7:02 p.m.

COMMUNICATIONS

Mayor Kiffer informed there a few items laid on the table, including; information regarding the Homelessness Needs Assessment public forum that is scheduled for Wednesday, August 24, 2022 at the Ted Ferry Civic Center and information on the effects of the ballot proposition to repeal the non-area wide library powers and associated mill rate if approved by voters at the October 4, 2022 election.

PERSONS TO BE HEARD

Hunter Davis, Jeremiah Sullivan and Mike Weston with the American Legion spoke to issues and concerns regarding the First City Homeless Shelter, and asked for a meeting to discuss ways to help improve the situation.

Licha Kelley-King with Rendezvous Senior Day Center and thrift store asked for a reduction in their trash fees due to the fact people are dumping garbage at their facility that they have to dispose of.

Sheila Miller asked the Council to look into the mandatory use of masks at the library, especially for the children and teen events.

CONSENT AGENDA

Mayor Kiffer suggested moving a few items to the Consent Agenda, including; Appointments to boards and commissions and a budget transfer for the award of Contract No. 22-17, Padmount Transformers, to General Pacific, Inc. No objections were heard.

Approval of Minutes – Regular City Council Meeting of August 4, 2022

Moved by Bradberry, seconded by Zenge for approval of the minutes from the regular City Council meeting of August 4, 2022.

Motion passed with Gass, Gage, Zenge, Bradberry, Mahtani, Flora and Kistler voting yea.

Acting City Manager Simpson said a SEMT fund needs to be created so staff can track their expenditures and have that fund be established for uses the Finance Director outlined in her memo. She said her preference initially would be for 100 percent of the funds to go into the newly created SEMT fund as we need to be able to demonstrate that the funds are being used properly for staff, training and reinvesting in people.

Moved by Bradberry, seconded by Gage to amend the main motion to direct staff to create an SEMT fund and (100%) one hundred percent of the funds received from the State be placed into that account.

Fire Chief Hines answered questions from the Council.

Motion to amend passed with Gass, Mahtani, Gage, Bradberry, Kistler, Flora, and Zenge voting yea.

Mayor Kiffer ruled the adopted amendment would substitute for the main motion.

Budget Transfer – Fire Department

Moved by Bradberry, seconded by Mahtani the City Council authorize the Acting City Manager to transfer \$90,000 from appropriated reserves of the General Fund to the Fire Department's 2022 travel-Training Account No. 600.02 in the amount of \$44,500; Travel and Education Account No. 600.02 in the amount of \$25,500; Uniforms/Badges/Clothing Account No. 535.04 in the amount of \$2,000; and Special Protective Clothing Account No. 535.05 in the amount of \$18,000 for the purpose of funding necessary travel, training and associated expenditures for the new Fire Fighter/EMT personnel.

Acting City Manager Simpson answered questions from the Council.

Motion passed with Zenge, Flora, Kistler, Bradberry, Mahtani, Gass and Gage voting yea.

APPROVAL OF VOUCHERS - None

CITY MANAGER'S REPORT

Acting City Manager Simpson informed the Mayor, Port & Harbors Director Verfaillie and herself met with representatives of the Cruise Lines International Association (CLIA) to continue conversations on how the City and CLIA can work together to find common ground, and move forward on shared initiatives. She said at this time staff is hoping CLIA will give a presentation to the Council on their ten-year outlook. She reminded the Homelessness Needs Assessment public forum is scheduled for next Wednesday, August 24th at the Ted Ferry Civic Center starting at 6:00 p.m., and the community is welcome to attend.

Councilmember Bradberry questioned the status of the open department head positions.

Acting City Manager Simpson indicated at this time they are doing in-house interviews for the Information Technology Director and the Telecommunication Divisions Manager. She said they are re-advertising for the Electric Division Manager at the current salary to see if things have shifted in the market.

CITY ATTORNEY'S FILE

Acting City Manager Simpson supplied the Council with a copy of the report of significant activities for the office of the City Attorney for the Month of July 2022

FUTURE AGENDA ITEMS

Councilmember Gass said he would like staff to convene the Cooperative Relations Committee with the Ketchikan Gateway Borough, to partner with them to turn the lot on Bawden Street into a basketball court. He stated there is enough room for a basketball court and a few parking spaces. He informed he would like a report from the Police Chief on what our enforcement policy is regarding open container and disorderly conduct laws. Lastly, he asked for an ordinance to reduce Mayor and Council pay by \$100 for regular and special meetings.

Mayor Kiffer asked for a show of hands to ask staff for the report from the Police Chief and an ordinance to reduce Mayor and Council compensation, and at least four hands were shown.

Councilmember Bradberry questioned if we could create a non-profit trash bin fee that would offer a slight discount for non-profits. She said she would like to see an analysis, and if it is feasible, to offer that. Secondly, she would like to establish an email communication policy in regards to communication amongst the Council and staff to avoid the potential breach of the Open Meetings Act.

Clerk Stanker said she would work with Councilmember Bradberry to review and create an email policy.

Councilmember Mahtani said he would like to have the First City Homeless Shelter staff present what policies and procedures they have in place to help control the issues occurring outside of their building.

Acting City Manager Simpson said she has met with two of the First City Homeless Shelter (FCHS) board members, and said with the Council's permission, she would like representatives of FCHS to attend the next City Council meeting to verbally give an update and answer questions.

Councilmember Kistler said she would like a discussion relative to simplifying the issues between going from one tax rate to another.

Councilmember Gage said several years ago there was discussion on building a parking garage across the street from City Hall up to Edmonds Street, and would like to reconsider doing that, with the possibility of finding funding for the project.

MAYOR AND COUNCIL COMMENTS

Councilmember Mahtani thanked staff. He felt they had a good discussion tonight and concluded all of the issues went well.

Councilmember Gass stated he was really impressed with the work from the Fire Department for getting that funding. He said regarding the homeless shelter, there is some validity to the issues the Council has heard about. He said the Council needs to start looking at some options or revisit the funding policy the City has with that organization. He informed he has heard a lot of comments regarding the facility being open 24-hours and maybe the hours need to be reduced going forward. He continued, he drives past the shelter driving to and from work every day and it is total anarchy, and the Council is going to have to make some tough decisions.

Councilmember Bradberry said over the last week she crossed paths with many City staff and everyone was phenomenal. She informed she is currently attending the Alaska Power Association convention as a SEAPA board of director, and is hearing of some great potential opportunities for our community. She said there are people attending this convention from all over the state, and she heard from many of them about how great our utility department is, and complimented the Electric Department and City management staff on its continued growth. She continued hopefully in the future we will be able to find opportunities to help offset our carbon footprint. She informed she has had mixed feelings about the homeless shelter since being on the grants committee, and we have never talked about security or safety concerns. She said we need to look into how we can move forward with this to come up with a cost effective, best solution for everyone. She extended her prayers and thoughts to the folks that were involved in the stabbing incidents this week.

Councilmember Zenge congratulated the Fire Department, this speaks very well to the chief and how he empowers his employees, which is what we want to see in the City. She spoke to the issues regarding homeless shelter and said this is not acceptable. If we have a shelter that is not functioning properly, that is putting our citizens at risk then we should shut it down until they can get their act together. She said something bad is going to happen and we are responsible for everyone in the community. She informed the board has great people, but if they need assistance on how to run it, then they need to go get it or shut it down until they can figure out how to solve the problem of running it. She indicated they need security, proper training and an executive director that knows what they are doing, and has experience running shelters.

Councilmember Kistler agreed that something needs to be done at the shelter, and questioned if having it be operating 24-hours a day might make it worse since they are always there. She suggested maybe the day shelter and the overnight shelter be in different locations. She said they definitely need more oversight there. She congratulated the Fire Department on the funding and said it is very exciting.

Councilmember Gage congratulated the Fire Department staff. She echoed comments made by Councilmember Zenge regarding the homeless shelter. She informed it used to be that once people entered for the evening they were not allowed to leave until a certain time in the morning. She said she was under the impression that they would have training and staff that would work with people, but right now it sounds like a free for all. She stated this shelter was created for people to go to have a safe space, especially when the weather is bad, but this could end up being a liability.

Mayor Kiffer stated the reality is that the shelter has outgrown its ability to handle the situation. He said it's all well and good to be able to get grants from all over the place, but it is up to us to keep an eye on it and make sure things are going in the right direction. It is clear that because their clientele is different than the other shelter in that area, which is a dry facility, which is why it is run so well. He stated we created the overnight warm shelter idea because there were people dying on the streets. He would like to hear from staff whether First City Homeless Shelter is meeting the benchmarks that we set. He said we have to be aware of the law of unintended consequences, and by allowing that expansion and growth, in that process we were not paying attention to the unintended consequences. He thought Councilmember Gass' suggestion for a basketball court in the Bawden Street parking lot is interesting, however, the Council needs to consider the best of that property for the long term. He said keep in mind that the reason the federal funding for the new PATH shelter was lost was because we took the steps of not attaching a site to that proposal, which killed it.

OTHER NEW BUSINESS – None