



communities were devastated by the influenza and tuberculosis epidemics. The Jesse Lee Home was cited as an example of how the territory was able to provide essential social services in Alaska's application for Statehood.

Distinctive from BIA schools and the social norms of that time period, the Jesse Lee Home was run as a family and not as an institution. It was codified policy that all residents would be treated equally and with respect, regardless of race. Extensive research has demonstrated that policy was upheld throughout its period of occupancy.

Residents were encouraged to go to college and trade school, and include the founder of what is now known as Alaska Pacific University, one of the main architects of ANCSA, the first president of an Alaska Native Regional Corporation, mayors and city council members of communities across Alaska, the first Alaska Native to receive a doctorate degree, the first Alaska Native to teach at a university, and Alaska State Flag designer Benny Benson.

The Jesse Lee Home was operated by the United Methodist Church from its opening in 1925 until Seward suffered significant damage from the 1964 Good Friday earthquake and associated tidal waves. Immediately following the disaster, the majority of Seward residents sheltered in the safety of the Jesse Lee Home, which didn't suffer a crack in its stucco from the event. The children were relocated to a new facility in Anchorage and the property was gifted to the City.

Aside from its historic mission, the Jesse Lee Home is the birthplace of the Alaska State Flag. This event occurred a year after Alaska Natives were granted US citizenship. It was the first time in which Alaska Natives competed directly in an open statewide competition. The fact that Jesse Lee Home residents took first, second, and third place in the contest is considered to be a historic moment in the Alaska Native Rights effort.

The Alaska Flag is the only state flag in the nation designed by a child and the only one designed by an indigenous person. Additionally, our first flag was hand sewn by an Alaska Native seamstress who was employed at the Jesse Lee Home.

Eight gold stars met the blue sky for the first time at a ceremony commemorating the opening of the Balto Building - the center of the elegant Tudor-style stucco and large timber beam buildings that make up the Jesse Lee Home complex. In attendance was Marie Drake, who said she was inspired by the event to write the Alaska Flag song.

The Jesse Lee Home served as headquarters for Fort Raymond during World War II, vital to the protection of Alaska's supply chain to the Interior. It is the only structure attached to the Fort remaining in its historic location, and traces of the spruce trees painted on the buildings for camouflage are still visible. Veterans and their families visit the Jesse Lee Home every summer in remembrance.

Additionally, the Jesse Lee Home holds the last remaining tuberculous ward attached to the Seward Sanatorium - a facility that was awarded the International Lorraine (Red) Cross for its contributions to the discovery of a cure for tuberculosis.

Designed by a nationally renown architect, the Jesse Lee Home is known for the exceptional quality of its construction, materials and design. The ceiling of the chapel was hand crafted by shipwrights who signed and dated the hand-hewn rafters. It is the only known location in North America where one can stand on dry ground and study the marine architecture of the inverted hull of a three-masted ship.

It is remarkable and noteworthy, and honors the legacy of Seward being the location where Baranov's crew crafted the first masted ship build on the northwestern Pacific coast, the 180-ton 73-foot Phoniex in September of 1794.

A important landmark for reasons previously described, the Jesse Lee Home is listed on the United States Park Services National Register of Historic Places, Alaska State Register of Historic Places, Alaska's Ten Most Endangered Buildings, and is the defining structure in City of Seward's Jesse Lee Home Historic District.

Since being gifted the property in 1964, the City has benefited from the sale of over 100 acres of Jesse Lee Home lands for development, but has not maintained or restored the Jesse Lee Home itself. In fact, the City facilitated the stripping of fixtures, furniture and equipment contained in the building, in addition to the removal of windows, doors, and in one wing most all of the supporting beams. The City has never prosecuted trespassers or vandals.

During its decades of responsibility for stewardship, the City has not maintained several historic memorials that were erected on the Jesse Lee Home grounds immediately adjacent to the building.

There is no record of the City making a discernible effort to retrieve a stolen live-sized bronze statue of Balto that was paid for a nickel and a dime at a time from money raised by the children of the Jesse Lee Home after the famous sled dog visited the epidemic orphans at the beginning of the Iditarod trail, and embraced him as their official mascot.

In fact, the City sold off the land that holds the flagpole and the historical marker with its large bronze plaque commenting the importance of the Alaska State Flag and the Jesse Lee Home to a developer, and then issued a permit that allowed multi-family low-income housing to be erected within a few feet of it.

Friends who live in Seward have mowed the grass out of respect for the site, with no coordination from the City and its well-financed Department of Parks and Recreation, despite multiple requests for assistance. The forlorn flagpole has remained bare even during Alaska State Flag day, under Seward's stewardship.

In the late 1970s, the City demolished the largest building in the complex, Goode Hall, citing that the Jesse Lee Home was too far gone to restore after years of neglect under the City's ownership. Community outrage stopped the City from destroying the remaining two buildings and their attached arcades.

Seward city records chronicle the efforts of every developer who has tried to restore the Jesse Lee Home; invested in project development and stabilization of the structures; then experienced negative pressure from the City, ending with the project collapse following complaints of bad faith and unfair dealings.

5. For several years, Friends have sought sufficient funding to fully restore the structure and use it as a public residential statewide charter high school that will serve as a feeder for the Alaska Vocational and Technical Center (AVTEC), the University of Alaska, and Alaska Pacific University.

The professionally managed project enjoys a 70% federal funding match, and prior to the Alaska economy tanking, was on time, on budget and close to being fully funded via appropriations by the Alaska State Legislature and Governor Sean Parnell.

The Walker Administration reallocated the bulk of the project funding to the Department of Transportation and the Legislature reserved just over a million dollars to mothball the Jesse Lee Home until the economy turned.

Over \$2.5 million in public and private funds have been spent stabilizing the Jesse Lee Home, designing the architecture and engineering plans to 80% completion, and the residential school to 80% developed. The final result is intended to be a self-sustaining LEED platinum structure that will be home to students discovering family-sustaining careers that will provide meaningful employment throughout the state.

The Alaska State Legislature and the Dunleavy Administration have both recently demonstrated interest in saving the Jesse Lee Home and continue developing it for this appropriate, sustainable purpose.

An April 2020 structural engineering report determined the Jesse Lee Home to be fundamentally sound and still a good candidate for renovation.

6. Although the Purchase and Sale Agreement was signed in August of 2014, the City inexplicably failed to record the quitclaim deed until January 13, 2015. The City also failed to adjust the five year term of the revision clause to match with the City-caused delay of transfer of legal ownership.

The City was aware that having title to the property was a new requirement of Friends funder, and having a five-month delay caused Friends harm insomuch as they were unable to access funding during this period.

Friends have not relinquished its ownership nor has Seward perfected a reversion through appropriate court process.

7. The City has violated the implied promise of good faith and fair dealing, intentionally depriving the Friends of the benefits of their Purchase Agreement for the Jesse Lee Home by acting in a manner that a reasonable person would regard as unfair.

Additionally, the City has shanghaied the public funds appropriated to the Friends by grossly misrepresenting the physical condition of the Jesse Lee Home, grossly

misrepresenting the estimated costs for renovation and the progress of the project, grossly misrepresenting that the allocation request had gone through the public process and was listed on the City of Seward's Legislative Priority list, and grossly misrepresented their intention to use the funds for demolition.

The City has refused Friends the opportunity to present to or hold work sessions with the Seward City Council, and have refused to come to the table to negotiate.

8. Notwithstanding Friend's ownership, in September 2019 the City changed locks and had the Seward police bar a Friends work crew who were attempting to remove graffiti and mend a hole vandals had put in the fence from accessing the Jesse Lee Home property under threat of being arrested for trespass.

The City then denied Friends a scheduled tour of the Jesse Lee Home for senior members of the Dunleavy Administration, members of the Alaska State Legislature and their senior staff, a historic preservation architect and a historic preservation contractor attached to the project, members of the Seward City Council, Seward Historic Preservation Commission, Seward Planning and Zoning, press, and the Resurrection Bay Historical Society under threat of being arrested for trespassing.

The next day, the City gave the Friends written notice that they were denied access to their own property. The Friends send the City a demand letter asserting their title to the property and associated rights.

The city attorney acknowledged receipt of the demand letter during his report at the subsequent city council meeting, and noted he had consulted with the Kenai Peninsula Borough legal department who refused to find against the Friends.

Kenai Peninsula Borough Mayor Charlie Pierce met with the City to try to negotiate saving the Jesse Lee Home from demolition, the City was unmoved. KPB Mayor Pierce released a video statement which supported the Friends in their efforts to save the structure and blasted the City for their efforts to demolish one of the few historic buildings in Alaska.

The City elected to ignore the Friends demand letter. The city attorney stating at the subsequent city council meeting he “felt” the City owned the Jesse Lee Home, contending that since the City refused access to the Friends that action demonstrated the City’s ownership as they were acting like an owner.

Under this theory, a reasonable man would find that owners take care of their property, they do not willfully neglect their assets then move to destroy them, and they don’t threaten and bully those trying to improve their investment.

The City had the Friends volunteer coordinator, the District 17 Division 2 Vice Commander of the United States Coast Guard Auxiliary, removed from City Hall by a uniformed police officer. She was requesting a two-week extension for installing sewer and water lines to the Jesse Lee Home as the City had given Friends improper information twice, as to which main lines to attach to, and thus needed to rework

engineering and reschedule the professional companies volunteering to prosecute the work.

As the audio recording demonstrates, literally ten minutes into the scheduled meeting - which was in no ways a “heated” discussion - the city manager advised he was directed to meet with the Friends coordinator but was not required to listen to or negotiate with her, and told the Friends Chairman of the Board that he was not required to have any communications with her and was terminating the conference call. The city manager then left his office to summon the police and had Friends trespassed.

9. In Article 1, Section 18, the Alaska Constitution provides that ...”[p]rivate property shall not be taken or damaged for public use without just compensation.”

The Friends have received no compensation whatsoever from the City for the taking of their property by inverse condemnation. The Friends have invested over \$2.5 million in public and private funds in the Jesse Lee Home project.

As a condition mandated in the purchase and sales agreement and the Seward City Council resolution that agreed to it, the City expressly did not lobby the Alaska State Legislature for Jesse Lee Home appropriations as a city project.

In fact, the Seward City Council censured Seward Mayor David Seaward six months as punishment for listing the Jesse Lee Home amongst the Seward-area projects he thanked a member of the Legislature for funding while in Juneau representing the

City.

Verified Complaint for Injunctive Relief

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In 2014, the Jesse Lee Home property was appraised at \$470,000.

10. The Seward City Council has not granted Friends a meeting, work session or presentation in several years despite multiple requests; nor has it granted similar multiple requests from the Seward Historic Preservation Commission; and has been completely incommunicado with Alaska Association for Historic Preservation who is working with the Friends on the project and made similar formal requests both in writing and in person over the last three months.

11. Instead, after a lengthy meeting in which Alaska Lt. Governor Kevin Meyer, the Alaska State Historic Preservation Commission, and Alaska State Historic Preservation Officer Judy Bittner requested the City hold off on demolishing the building a few months until the State and the Legislature had an opportunity to meet and determine a path for the State to acquire the Jesse Lee Home, especially considering the Alaska State Legislature had already passed a bill to do so; after a public hearing where testimony was overwhelmingly in favor of saving the Jesse Lee Home; after public outrage being expressed from the Washington Post to the Washington Times, from FOX News National to MSNBC, from every major news outlet in Alaska to the Pioneers of Alaska Facebook page; after emotional pleads from the Jesse Lee Home residents and their descendants who consider this building a sacred space, their home, a place that saved them from being lost to the epidemics; after strong testimony from veterans and their descendants who emphasized how important the Jesse Lee Home was to them as a touchstone; on August 24, 2020 the City elected to pass Resolution 2020-074 awarding a Verified Complaint for Injunctive Relief

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contract to demolish the Jesse Lee Home in favor of a creating an undefined park space and the opportunity to develop the land for residential housing.

In fact, a member of an influential Seward family recently testified during a public meeting on the Jesse Lee Home of their intent to build a high end home that would enjoy a desirable viewshed if and only if the Jesse Lee Home were demolished, and in the next breath, established themselves as chairman of the committee to design the proposed adjacent park.

Interestingly, this particular Seward resident, her mother, and the Seward city manager were the only people to testify before the Senate Finance Committee when the re-appropriation from Friends to the City was requested.

12. According to the plan submitted by Coldfoot Environmental Services, Inc., the winners of the contract to demolish Alaska's most important historic building at less than a quarter of the engineer's estimated cost, work is fast tracked to begin on September 9, 2020.

The contract for services includes terms for suspension or termination of the contract for any reason with no fees or other compensation above already incurred indirect costs, authorized services, and expenditures. The contract states the work is to be completed by January 2021.

According to supporting documents for Resolution 2020-074, the City has access to the funds it has allocated for demolition until the end of June 2021. The funder has

already offered the City an extension to this date, hoping that the granting of such would lead the funds to be expended to preserve and protect the Jesse Lee Home instead of destroying it.

13. Once alerted to the ramifications of the reallocation of funds from the Friends to the City, the Alaska State Legislature twice passed a change in language so the City of Seward would not be allowed to use the funding for the destruction of the Jesse Lee Home.

Said change was inadvertently vetoed by the Governor resulting in this unintended consequence. The line item was unfortunately overlooked as being part of a section that was three pages long of appropriations that had funding left over.

The Governor vetoed the group as a housekeeping measure so he could steer the funding to a different account. The change in the Jesse Lee Home allocation was not made as an individual line item.

Due to the complications of COVID rapidly accelerating the session, the Legislature was unable to correct the oversight in this year's capital budget cycle prior to closing sine die.

DATED this 1st day of September 2020.

*Barbara Donatelli*

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**Certificate of Service:**

I hereby certify that on the \_\_\_\_\_ day of September 2020, a true and correct copy of the foregoing Complaint, Temporary Restraining Order, and Proposed Order was hand delivered to the City of Seward.

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Dona Walker  
Friends of Jesse Lee Home  
Recording Secretary