

Presented by: The Manager
Introduced: 01/04/93
Drafted by: K.C.R.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1616

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA, AUTHORIZING PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT-RURAL ECONOMIC DEVELOPMENT INITIATIVE (CDBG-REDI) PROGRAM FOR THE PURPOSE OF IMPLEMENTING A SMALL MANUFACTURING LOAN PROGRAM.

WHEREAS, the City and Borough of Juneau wishes to provide increased employment opportunities for low and moderate income persons, through the development of private for-profit manufacturing industries in the community, and

WHEREAS, the CBJ and the Juneau Economic Development Council have worked together to successfully plan and develop a loan program and a five year partial property tax exemption to stimulate the development of small manufacturing industries in Juneau, and

WHEREAS, the CBJ is an applicant for a grant for this purpose in the amount of \$100,000 from the Alaska Department of Community and Regional Affairs under the CDBG-REDI program;

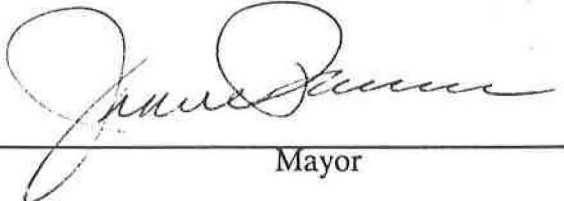
NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CBJ OF JUNEAU, ALASKA:

* Section 1. That the City and Borough of Juneau is hereby authorized to participate in the CDBG-REDI program, and the manager is authorized to negotiate and execute documents required for granting and managing the CDBG-REDI grant funds on behalf of the city and borough.

* Section 2. That the manager is authorized to execute any subsequent amendments to the CDBG-REDI grant agreement to provide for adjustments to the project within the scope of services or tasks, based upon the needs of the project.

* Section 3. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 4th day of January, 1993.



Mayor

Attest:



Clerk

Proposed Manager's Report

Under New Business

Resolution 1616:

Resolution No. 1616 would authorize the CBJ to join with the Juneau Economic Development Council in applying for a community development block grant through the Alaska Department of Community and Regional Affairs (DCRA). The 1993 State Rural Economic Initiative Program Application for block grants is due to DCRA by January 15, 1993.

Grant funds will be used for development loans to small manufacturing industries in Juneau. The program is described in the attached letter from the JEDC. The JEDC has solicited expressions of interest from local businesses, and several have responded. These businesses could provide employment to low- and moderate-income people, and strengthen the basic economic sector in Juneau.

DCRA has also indicated that such a program would be responsive to the objectives of the block grant program that it has set forth for the state. DCRA indicates that priority consideration for funding will be given to "Special Economic Development" activities. "Special Economic Development" activities are defined as projects that are for the acquisition, construction, reconstruction, rehabilitation, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements. "Special Economic Development" activities may include projects to provide technical assistance to a certain entity or entities for certain activities to carry out an economic development project.

The JEDC is prepared to substantially complete the grant application form. The CBJ would be responsible for administering the program if the grant is awarded for that purpose. The CBJ has administered similar programs in the past. We believe the program as funded by the grant could be administered by existing staff, perhaps assisted by the State of Alaska.

I recommend that this resolution and the 1993 State Rural Economic Initiative Program Application as described in the December 23 memorandum from the JEDC Director be adopted.

JRC\TK\mjm
Assembly Meeting: 01/04/93