



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor

Meeting Agenda Thursday, July 30, 2020 3:00 p.m.

Members of the public may listen in or watch by following one these options
Please click the link to join the meeting: <https://juneau.zoom.us/j/98392124603>,

or call 1-346-248-7799 or 1-669-900-6833 or 1-253-215-8782 or
1-312-626-6799 or 1-929-436-2866 or 1-301-715-8592, and enter
Webinar ID: 983 9212 4603

Send comments to Economic-Stabilization@juneau.org

Assembly Charge

The purpose of the task force is to review the economic landscape and make recommendations to the assembly. In particular, the task force should:

1. Examine federal and state government financial assistance programs and identify and prioritize any "gaps" that exist.
2. Identify and promote strategies that enable businesses to continue operations safely such as curbside pick-up, take-away, delivery, and other innovative services. Additionally, explore strategies that enable businesses and Juneau's economy to recover in the long term.
3. Act as Liaison with the Governor's Alaska Economic Stabilization Team

Time	Agenda Item	Presenter
3:00 p.m.	Call to Order	Mr. Mertz
3:01 p.m.	Approval of Agenda	Mr. Mertz
3:02 p.m.	Approval of Minutes	Open
3:05 p.m.	2021 Cruise Season Planning	Mr. Day/Mr. Tibbles
3:30 p.m.	Strategic Initiatives: Education/Childcare	Mr. Botelho
3:50 p.m.	Public Comment Matrix	Ms. MacVay
4:10 p.m.	Update on Adopted Programs <ul style="list-style-type: none"> • Business Stabilization Grants Phase 1 Progress Report • Jobs / Trails Program • Rental Housing Assistance 	Mr. Holst Mr. Botelho Ms. McVay
4:20 p.m.	Update on New Legislation <ul style="list-style-type: none"> • Nonprofit Grant • Juneau ArtWorks Grant • Business Grant Phase 2 / 3 • PPE Grant 	Ms. Thomas Mr. Mertz Mr. Mertz Ms. MacVay
4:40 p.m.	Strategic Initiatives Action Items <ul style="list-style-type: none"> • Homelessness • Workforce Development 	Ms. Thomas Ms. Bell
4:55 p.m.	Good of the Order	Open

Max Mertz, Co-Chair • Linda Thomas, Co-Chair • Susan Bell • Theresa Belton • Bruce Botelho

Eric Forst • Ken Koelsch • Lauren MacVay • Laura Martinson • Terra Peters



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor
DRAFT Meeting Minutes from July 16, 2020

Call to Order

The Economic Stabilization Task Force meeting was called to order at 3:01 p.m. by Mr. Thomas.

Task Force Members Present: Max Mertz, Linda Thomas, Susan Bell, Theresa Belton, Bruce Botelho, Eric Forst, Ken Koelsch, Lauren MacVay, and Laura Martinson

Task Force Members Absent: Terra Peters

Staff Present: EOC Planning Section Chief, Robert Barr; CDD Administrative Officer, Brenwynne Grigg; and CBJ Finance Director, Jeff Rogers

CBJ Assembly Members Present: Mayor Beth Weldon and Loren Jones

Special Guest Speakers: Chief Behavioral Health Officer at Bartlett Regional Hospital (BRH), Bradley Grigg; Executive Director at Juneau Economic Development Council (JEDC), Brian Holst; and Executive Director at Juneau Community Foundation (JCF), Amy Skilbred

Approval of Minutes

MOTION: by Mr. Botelho to adopt the Economic Stabilization Task Force minutes from the July 9 meetings. Mr. Forst seconded the motion.

Hearing no objections, the motion was approved.

Emergency Operations Center Testing Status Update

Mr. Barr reported that work on localized testing continues. He meets every Monday with BRH CEO, Mr. Bill; CBJ City Manager, Mr. Watt; and representatives from the CBJ Assembly and the BRH Board. The situation is complex, and they continue to evaluate and analyze all the options. Mr. Barr is continuing to hear from vendors that lead times are long and supply chains are stressed.

Mr. Mertz asked about the outstanding purchase orders for two different pieces of testing equipment and the status on identifying a strategy for the implementation of either of them if they are purchased. Mr. Barr replied that work continues on that and he is meeting with vendors on July 17. Both vendors are hesitant to promise anything this calendar year. It is likely that if the testing equipment is acquired, the program will be run by BRH, but may not be located at the main campus.

Mr. Botelho asked, given the extended period for the acquisition of testing equipment, if the City is keeping up with possibilities of new breakthroughs that may revolutionize our way of testing. He suggested that perhaps something faster and less expensive would come onto the market. Mr. Barr replied that the CBJ is preserving the right to back out of a conversation with vendors if it is in the City's best interest. Mr. Barr is reviewing newly authorized technologies daily and contacting vendors that might prove promising. He assured the Task Force that Juneau is preserving its choices and paying very close attention to new forms of testing.

JEDC Report on Grant

Mr. Holst stated that as of July 14, there are 178 applications and 105 awards. They continue to keep up with the pace of applications as they come in. The average grant award remains around \$11 thousand.

Mr. Mertz stated that based upon the number of applications and the average award amount, an estimation of the current requests from applicants for phase 1 of the program is \$1.9 million. Mr. Holst confirmed that is close to accurate. Mr. Holst added that if phase 2 allows the calculation of short-term loans into the equation, along with the additional two months of eligible utility expenses, the awards will increase, and could attract additional applicants to the program. It will be likely that the grant fund will max out to capacity. Mr. Holst does not anticipate that the recommended minimum for very small businesses will greatly affect the funds capacity.

Mr. Mertz pointed out that their mid-April collaboration with Mr. Calvin and Ms. Bell regarding the recommended funding level working with limited elements of data points may have projected fairly close to the amount allocated by the Assembly for both phases. By expanding the parameters of the program, the requests will exceed \$12 million. It should not be a surprise that the program will be fully expended, and an argument could be made that additional funding is needed for grants.

Mr. Holst stated that the program could use more marketing in the fishing community; they are working on a remedy for that. He added that the big question is how many more businesses will be attracted into the program with the changes.

Ms. Martinson asked if it is possible that some businesses have chosen to wait on submitting an application for the CBJ Business Grant until they are able to submit for the State's AK CARES Grant, since it could make them ineligible. She wondered if, once the issues with AK CARES are resolved and grants are released, the CBJ Business Grant would receive another large batch of applicants.

Mr. Holst replied that he is unsure of how the resolution of the AK CARES Grant details will affect the number of new applicants, but there are measures in place with the CBJ Business Grant that ensures applicants who intend to apply for both are not put at a disadvantage for the State's AK CARES Grant. He added that many applicants may be hesitant to apply because they do not have a business license. While the CBJ program does ask if they have a business license, it is not a requirement in order to receive a grant. This could also be a perceived barrier in the fishing community that they are working to address. The AK CARES Grant has clarified that in their program, a business license is not a requirement. JEDC is in the process of clarifying this with Mr. Palmer as well.

Mr. Mertz stated that he spoke with Kevin McDougall, a fisherman and recently retired long-time chair of the Northern Southeast Regional Aquaculture Association (NSRAA) Board, who communicated his opinion that the fishing community is largely unaware of the program. Mr. Mertz also contacted Ms. Katie Harms, Executive Director at DIPAC, who is working with the United Fishermen of Alaska to assist in marketing the CBJ Business Grant program to the fishing community.

Bartlett Hospital Behavioral Health Data: COVID-19 Impacts on Children

Mr. Grigg directed the attention of the Task Force to a 2-page report looking at the significant increase in Emergency Department visits amongst children under the age of 18. He compared monthly trends from July 2019 – March 2020 to April 2020 – June 2020, correlating the increase to around the time of Spring Break ending in March. In just a short period, the Emergency Department saw 10 more children in the post-COVID-19 three-month period than in the pre-COVID-19 nine-month period, increasing the monthly average from five children to 16 children, three times the rate at which they are normally seen. While the increase is significant under the age of 18, the increase is even more alarming under the age of 13.

Mr. Grigg reported that in the same comparison periods for Emergency Department visits, Bartlett Outpatient Psychiatric Services caseloads have seen an increase in new patients under the age of 18. More new patients were added in the three-month period of April 2020 – June 2020, than were added in the nine-month period of July 2019 – March 2020. The average monthly number of new children enrolled in outpatient services pre-COVID-19 was 4.1, and has increased to 12.7 in this post-COVID-19 environment.

Mr. Grigg stated that more than 50% of the children in the Behavioral Health system at BRH have never seen a psychiatrist or a therapist. The socio-dynamics of the children are from all income brackets and race. BRH Behavioral Health has increased staffing, and continues to increase to meet the demand.

Self-reported factors include stress in the home due to parents who have lost a job, the stress of virtual school that did not go well, loss of social supports, loss of sports, and feelings of isolation. The Behavioral Health unit is also seeing substance use as a factor in some of these children. Mr. Grigg emphasized that the family unit is in crisis and parents are bringing children to the Emergency Department to see what can be done. They are hearing families consider whether a parent should quit their job or go to part-time in order to homeschool their children full-time, and try to absorb the financial impact.

Mr. Grigg added that in this same three-month period of April – June 2020, BRH Behavioral Health has seen 12 young adults raised in Juneau who left the State to attend college, and who arrived at the Emergency Department in crisis. Self-reports included worry over losing athletic scholarships and uncertainty over the ability to handle distance school in the fall due to COVID-19.

Mr. Botelho asked if BRH Behavioral Health is seeing a difference in the manifestations of the youth client, as historically it has been drug or alcohol related. Mr. Grigg replied that they are seeing an intensity in depression and anxiety alongside of substance use. They are each side effects of the other. Substance use often leads to depression and anxiety, and depression and anxiety often lead to substance use.

Mr. Botelho asked if what Juneau is experiencing mirrors what other communities are seeing, and if the Mental Health Trust is providing assistance to help deal with this wave of increased crises. Mr. Grigg replied that the Mental Health Trust is directly investing in communities, and BRH Behavioral Health is hearing of similar stories in other communities. He stated that the impacts of a crisis or trauma is often a delayed response in a population. While BRH Behavioral Health is experiencing impacts of COVID-19 today, their larger concern is the number of people in crisis three months, six months, and nine months from now.

Mr. Mertz asked if there is statistical data which gives an indication of every patient who presents at the hospital, how many more are suffering in similar ways who do not come for help. Mr. Grigg replied that national estimation is for every one patient who presents, there are three others who do not.

Mr. Mertz asked about BRH's billing resources: are they able to tap into COVID-19 funding, and are there any negative financial impacts at BRH? Mr. Grigg replied that mental health services are difficult to attribute directly to the virus, but more to the side effects of the virus. Therefore, BRH Behavioral Health is not tapping into COVID-19 assistance funds. However, they are in good shape due to reimbursements from Medicaid, Medicare, and private insurances, though there is a challenge to receive reimbursement at the cost of service, which often does not match up. BRH Behavioral Health is clear in their public relations that they have a sliding fee scale for families. Mr. Grigg stated the last thing he wants to see is a family deciding to forego seeing a psychiatrist because they feel they cannot afford it. BRH Behavioral Health has a program called Charity Care, which absorbs the costs that insurance does not cover for those in need. He added that when you have someone suffering from depression, a large bill will only make it worse, and that is something BRH avoids through this program.

Mr. Koelsch asked if Mr. Grigg interacts with the school system through contact with the principals or counselors. Mr. Grigg stated that he meets with Superintendent Weiss quarterly to discuss specific schools that are hot spots for incidents or drugs. He added it is important for him to stay engaged with the school district, because 315 children in the Juneau School District, which represents almost 7% of the population, are engaged in BRH's Outpatient Clinic.

Mr. Koelsch stated that he is concerned about the impact of teacher's decreased ability to identify children in crisis, due to the school district's limited in-person classroom setting this fall. He added that it would be much more difficult for teachers to identify and help children in need this year. Mr. Grigg agreed that this is concerning. He added that with the new school schedule this fall, the opportunity for a teacher to identify children in crisis will decrease by 60%.

Ms. Martinson asked if Mr. Grigg has seen any economic policies that would be helpful in situations like what BRH Behavioral Health is experiencing. Mr. Grigg replied that he has never seen anything like this, and he believes the whole country is trying to answer this question among many others. He stated that he is happy to provide input and information as policy discussions unfold to shed light on impacts from the behavioral health world.

Ms. Bell shared that, a few years ago, the Mental Health Trust funded a study that looks at the gaps in behavioral health services in Alaska by region. She stated she is happy to find this study and see if it can be helpful.

Mr. Forst asked what sort of outreach is happening to engage children and families who may not know where to go for help in this area. Mr. Grigg replied that they are working on a public relations campaign to provide a joint message with their Juneau partners, which include SouthEast Alaska Regional Health Consortium (SEARHC), Juneau Youth Services (JYS), Juneau Alliance for Mental Health, Inc. (JAMHI), and Catholic Community Services (CCS). Mr. Grigg added that the biggest challenge of the public relations campaign is working to remove the stigma associated with reaching out for help. He added that he and the Medical Director for BRH Behavioral Health, Ms. Joanne Gartenberg, are on KINY every other Friday morning, speaking to the community.

Mr. Forst asked Mr. Grigg for his personal opinion regarding the impact of distance school, or two days a week versus five days a week of in-classroom learning. He asked if the risk of the virus outweighs the risk of all the other negatives we are seeing. Mr. Grigg replied that he is seeing different opinions on the topic. Some parents want a full-time virtual option, and others want a full-time in-school option. As a parent of an eighth-grader, he has concerns with virtual education as the teachers struggle to keep accountability. As he said prior, teachers are losing 60% of their opportunity to keep an eye on the children in their class and identify issues, both academically and emotionally, and work together to solve them.

Public Comment Matrix

Ms. MacVay shared that public comment to the Task Force has greatly reduced. One new comment was received that advocated for a food production grant for \$238 thousand. She stated this is not a new idea, and includes elements such as increased freezing capacity. There has been much interest in the community for something like this. In the past, the Task Force has referred this to JEDC for follow-up.

Ms. Thomas suggested the Task Force take the next week to read all the public comments and re-examine the smaller ideas that have not yet taken priority.

Update on Active Legislation

Business Stabilization Grant Phase 2

Mr. Mertz stated that he sent the recommended changes adopted by the Task Force at the July 9 meeting to Mayor Weldon and Mr. Palmer. He thanked Mayor Weldon for taking the lead on writing the Ordinance. The recommendations will go into the packet for the Assembly Committee of the Whole on July 20. If the Assembly moves the Ordinance out of Committee that night, the public hearing will be held on August 3 with an opportunity for Assembly adoption.

Nonprofit Grant Program

Ms. Thomas reported that the Nonprofit Grant program is being drafted for Ordinance, with most of the recommendations from the Task Force included. The Ordinance is scheduled to be discussed at the Assembly Committee of the Whole on July 20.

Ms. Thomas said that on July 10, there was notification that the State of Alaska Department of Health and Social Services (DHSS) collaborated with Alaska Community Foundation to issue up to \$35 million in CARES Act funding for social service nonprofits, with grant awards ranging from \$25 thousand to \$1 million through three rounds of funding. The DHSS press release states that "Grants will be prioritized based on the community impact and the organization's ability to carry out public health projects and will not be limited based on an organization's size, type of staff, or geographical location."

Ms. Skilbred shared that the program is similar to the AK CARES Grant fund, but only for nonprofits and faith-based organizations that provide critical services to Alaskans. She added that this program should not stifle progress to the CBJ Nonprofit Grant programs, because the CBJ program fills a gap that captures all nonprofits, and not just the ones doing social service work. Additionally, several small nonprofits are seeking funding in amounts that are less than \$25 thousand. Ms. Skilbred has reached out to several non-social service oriented nonprofits in Juneau to gauge interest in applying for the CBJ Nonprofit grant, and has received positive responses of intent amongst the arts community, sports community, and several organizations that engage children in extra-curricular activities.

Juneau ArtWorks Grant

Mr. Mertz reported that Ms. DeCherney and Assembly Member Hale continue to work on the specifics of this program, and it is on the list of ordinance creations for Mr. Palmer. Once the Ordinance has been drafted, it will be introduced, discussed, and then set for public hearing.

PPE Grant

Ms. MacVay reported no new updates from last week. The PPE Grant proposal was discussed at the Assembly Finance Committee meeting on July 8. She has sent out an inquiry to discover its status.

Infrastructure Bond Status

Mr. Rogers shared that he met with Ms. Cynthia Weed, CBJ Bond Council at K&L Gates in Seattle, to discuss and draft an ordinance for consideration at the Assembly Committee of the Whole on July 20. The Ordinance is for one ballot measure, for \$15 million, financed over 25 years. The Ordinance includes \$5 million for school repairs, \$5 million for park improvements, and \$5 million for the extension of the West Douglas Road to water. Mr. Rogers has also contacted the City's financial advisor to discuss how this affects the mill rate. He stated that the Assembly plans to discuss this in great length on July 20. Some Assembly Members will desire a discussion about the general economic value of an infrastructure bond and others will desire a discussion about the specific projects included in the bond.

Mr. Koelsch asked Mr. Rogers to confirm that the \$15 million bond package is indeed just one ballot item, which Mr. Rogers confirmed. Mr. Rogers added that the Assembly could choose to present the bond package as three separate ballot items, if that is their will.

New Updates on Adopted ESTF Recommendations

Ms. Thomas asked if there were any updates on the Rental Housing Assistance program. Ms. MacVay replied there were no updates.

Strategic Initiative Updates

Workforce Development

Ms. Martinson shared that she spoke with Mr. Pete Traxler, Executive Dean for Career Education at the University of Alaska Southeast (UAS), about current work developments programs at the University, and ideas for others. The University currently has a nine-credit Behavioral Health program that accommodates up to 30 students. They also have a one-semester Cybersecurity program that accommodates up to 10 students, in partnership with Goldbelt. Additionally, UAS has degree programs in Nursing, EMT, Construction, and Maintenance that help to provide local businesses in Juneau with the workforce they need.

Ms. Martinson stated that she asked Mr. Traxler what the University would need to provide more programs like this, if resources were not a barrier. She was told that an economic survey of the workforce climate would be instrumental in understanding the need so they could work to develop more programs. They often hear things and suspect that a CDL program is needed for tourism, and that a culinary program is needed for people working with the cruise lines, but they have no real data to justify the creation of a new program.

Ms. Belton shared that Central Council of Tlingit & Haida Indian Tribes of Alaska (CCTHITA) has a CDL program, but it is in a transitional period. They have experienced issues identifying an instructor for the program. They are continuing recruiting and are hopeful to find one soon. Once they are able to hire an instructor, they intend to re-open the program for students and expand into heavy equipment operation. She stated that CCTHITA has recently applied for a \$150 thousand Economic Development CARES Act Assistance Grant, and perhaps Ms. Bell could assist in brainstorming ways they might help fund a feasibility study on this issue.

Ms. Bell stated there are also training gaps and needs related to childcare. She is currently looking at recent surveys from Southeast Conference and JEDC to see what information she can glean from them.

Ms. Martinson replied that Southeast Alaska Association for the Education of Young Children (SEA-AEYC) has an 8-week intensive to certify people to work at daycare facilities, but space is limited and expansion could be an option.

Ms. Thomas suggested speaking with the unions in Juneau about their need for training.

Education and Childcare

Ms. Martinson had another meeting with Superintendent Weiss, Ms. Lyons, Mr. Holst, Assembly Member Jones, Mr. Botelho, and Mr. Koelsch. The intent of the meeting was to see how the Task Force could fill the gap and mitigate the impacts of the Juneau School District's schedule. She shared that the School District recently adopted a mask mandate for everyone entering school premises. The School District is currently creating an inventory of their resources. She stated that RALLY could currently accommodate 70-75 children, which equals the needs of teachers for their own children. The School District is looking at ways to expand RALLY. Current barriers include space, staffing, and funding.

Ms. Martinson added there are conversations about expanding the Emergency Family Medical Leave Act (EFMLA) so parents can stay home with their children when they are not in school. She hopes the fact-finding group can assist with developing a menu of options for families to choose from, with some options that would allow parents to go back to work full-time. Ms. Martinson asked for the Task Force's approval to begin an inventory of empty spaces in Juneau that may be used for childcare.

Mr. Mertz stated that the school district seems intent on moving forward with their plan of partial in-school learning and partial distance learning. He added there might still be ways to provide educational opportunities and oversight to children when they are not in school. For example, he asked Ms. Martinson's opinion on using Centennial Hall or the libraries to provide more space for expanding the education coverage than the limited schedule provides. He added that daycare is great, but it is not educational and children of all ages need help staying on track academically.

Ms. Martinson replied that Superintendent Weiss has ensured that special needs children receive priority for full-time school. Her hope is to expand upon that. Ms. Martinson stated that as she understands it, in-school instruction would focus on math, reading, and core subjects, while the at-home distance curriculum will focus on art and physical education. She added that Mayor Botelho has some good ideas on educational care by looking at how substitute teachers, students in the Master Apprenticeship Program (MAP), and retired teachers may step in and help with tutoring and supervision.

Mr. Mertz replied that we needed to protect the educational interests of all children, in addition to the high-needs children.

Ms. Thomas reminded the Task Force to keep their scope in mind when discussing this topic and focus on the economic impacts of the situation.

Ms. Bell stated that she would continue researching ways to help bridge this discussion and look into facilities that could help to augment what the school district is doing.

ACTION ITEM: The Task Force approved Ms. Martinson's request to begin an inventory of spaces in Juneau that can be used to compliment the school district's plans.

Homelessness

Ms. Thomas shared that the Planning Commission approved the Conditional Use Permit for the Glory Hall's new location on July 14. She added that the Assembly has approved the solicitation of a building the CBJ could purchase to be used as a warming shelter.

Good of the Order

Mr. Forst sees an opportunity for short-term funding for a large marketing campaign that will inform the community of the counseling, and mental and behavioral health services, offered in the community for children and parents.

Ms. Bell reminded the Task Force of the inter-relation of topics. She added that nonprofits not only are employers, but also enrich our community. All the individual small pieces the Task Force is discussing are what makes Juneau our home.

Mr. Koelsch shared that while he was walking around with his grandchildren the other day, he spoke to many of the business owners in town, gathering some anecdotal data about the CBJ Business Grant program. A main reason that businesses chose not to apply for the program was the proprietary information they needed to provide in the application process.

Mr. Mertz directed the attention of the Task Force to the breaking news released earlier that day. The CDC has issued the No Sail Order to extend to September 30. He can easily see this being extended further, and it is starting to cause concern about the fate of the 2021 cruise season.

Ms. Thomas stated that she spoke at the Rotary this morning at 7 a.m. and was asked two specific questions:

1. One question was about the testing capabilities in Juneau for Southeast residents.
2. The other question was about her ideas on the best way to spend the rest of the CARES funding. She replied that the Assembly is working on that question currently.

Ms. Thomas added that childcare is still an incredibly important topic, as it is critical for keeping businesses operating.

Adjournment

At 4:35 p.m., the meeting was adjourned.

Appointed Task Force Members

Max Mertz, Co-Chair • Linda Thomas, Co-Chair • Susan Bell • Theresa Belton • Bruce Botelho

Eric Forst • Ken Koelsch • Lauren MacVay • Laura Martinson • Terra Peters

Public Comment Review

July 2027

Topic	Subtopic	Number of Comments	Topic Reviewed by ESTF	ESTF workgroup formed	Presented to Assembly	Referred
+ Total		0	0	0	0	0
+ Arts Community Total		1	1	0	1	0
+ Business Assistance Total		29	29	15	10	1
+ Business Development Total		7	7	1	0	4
+ Climate Change Total		1	1	0	0	1
+ Cruise Industry Total		4	4	3	0	1
+ Housing Assistance Total		4	4	2	2	1
+ Infrastructure & Construction Total		8	8	8	1	1
+ Job Development Total		8	8	1	6	0
+ Nonprofit Businesses Total		3	1	0	3	0
+ Personal Protective Equipment Total		1	1	0	0	0
+ Public Health Total		1	1	0	0	0
+ Reduce Cost of Living in Juneau Total		7	7	0	0	0
+ Shop Local Total		1	1	1	0	0
+ Task Force General Total		9	9	2	1	1
Grand Total		84	82	33	24	10

Comments after July 9th

- Nonprofit Businesses	Glory Hall	1	0	0	1	0
	SE Service Ctr	1	0	0	1	0
Nonprofit Businesses Total		2	0	0	2	0
Grand Total		2	0	0	2	0

Outstanding Themes from Public Comments and April 30th Business Recommendations memo

Construction - CBJ Permitting changes – remove barriers, reduce fees

Tourism - CBJ Fees

- Refund CBJ Fees paid for 2020 season, defer 2021 fees until later in season
- Expedite sales tax refunds from returns/refund requests
- reduce fees for dock front sales booths, freeze permit costs, reduce Dock Passenger fees

Renewable energy – define ways to further programs to reduce energy costs – near term cost savings, long term benefit. Such as Heat Smart

Downtown property tax/rent relief – various suggested forms:

- In fall, adjust property taxes on empty buildings
- Incent downtown landlords to reduce rents with reduced property tax

Tourism - Focus on 2021 season – define ways to aid businesses in preparation for it

- reduce expenses so businesses have ability to get up and running (rent, taxes, fees)

- support small cruise industry, as large cruise industry may take longer to rebound

Promote downtown business:

- Designated curbside pickup spots
- Sales tax free days
- Enforce tax collection from online retailers

Commercial Fisherman support

- Moorage fees, safe dock sales, marketing support,
- Community cold storage facility

Specific projects

- Remove city barriers to archipelago project
- Juneau Access

Expand JOS

Job training initiatives - in general, but also, to ensure that the jobs created by other initiatives can be filled by local candidates.

Other thoughts:

Eviction moratoriums lifting – programs to incent landlords to defer eviction of commercial tenants

- Lease negotiation support
- Reach out to attorneys who might offer pro bono support to assist

Heading into winter – aggregating resources for utility support for residents/businesses



To: Rorie Watt, CBJ Manager
CC: Jeff Rogers, CBJ Finance Director
 Mila Cosgrove, CBJ Deputy Manager
From: Brian Holst, JEDC Executive Director
Date: Wednesday, July 29, 2020
Re: Update on COVID19 CBJ Sustainable Business Grant Program per CBJ Ordinance 2019-06 (AC)(b)(am)

Reporting Period: Wednesday, July 22 to Tuesday, July 28

1. INTRODUCTION AND OBJECTIVES

CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) which provides for \$3.5 million in grants to Juneau businesses experience financial hardship due to COVID19. Per the Ordinance, businesses must demonstrate Financial Hardship by showing a decline in business of 20% or more from 2019 to 2020. Once the qualify, they can then submit actual and estimated expenses for the period of April through August 2020 in three categories of “fixed” expenses: 1) utilities, 2) long-term debt, and 3) rent/leases. Thirty-three percent of those expenses, up to \$33,000, can be granted to businesses, including non-profits. This program is Phase One of a three phase program. Phases Two and Three may be adjusted to better meet the needs of the business community. An additional \$8.5 million is currently earmarked for these future phases.

This report covers the initial period of the program through the fourth week of July.

2. PROGRAM SECTION

a. Summary of Main Activities

CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) on Monday, June 8. On Wednesday, June 17, JEDC received and signed an agreement with CBJ to operate the program. Upon mutual agreement with CBJ Manager’s Office, JEDC opened up the application process on Monday, June 15. On Friday, June 19, JEDC received the first batch of twenty applications back from CBJ after the verification of CBJ reported revenues and tax compliance—a pre-requisite for the program. JEDC received funds for the program from CBJ on Monday, June 22. JEDC began issuing grants to qualified businesses that week.

b. Significant Events and Accomplishments

- JEDC has received 216 applications, ten more in the last week.
- Of that number, one application has been declined or set aside because of tax compliance issues, duplicate, incomplete, or withdrawn application.
- CBJ has reviewed tax compliance for 215 applications to date.

Covid-19 Business Sustainability Grant Weekly Report: 7/28/20	Applications	Dollars	Full-Time Jobs	Part-Time Jobs
Total	216		826	671
Post-Approval	147	\$ 1,604,799	515	441
Money Sent	98	\$ 1,188,375	338	358
Documents Sent	22	\$ 188,430	38	41
Eligibility Report Sent	21	\$ 179,478	135	38
Approved	6	\$ 48,515	4	4
Pre-Approval	68		311	230
Final Review	30	\$ 221,184	169	77
Initial Review	38		142	153
Not Active (Duplicate, Disqualified, Withdrawn)	1			

- The 147 businesses with approved grants have 441 part-time and 515 full-time positions during the period of April through August 2020, as reported/estimated by each applicant. This data is voluntary for the applicant.

c. Anticipated Challenges/Problems/Opportunities/Recommendations

- Grant size continues to average close to \$11,000 per award in Phase 1.
- With Phase 2/3 nearing approval, we will want to close the application period for Phase 1 grants very soon. If the application start date in the Phase 2/3 proposed ordinance remains “no later than August 10”, then we will need to close Phase 1 sometime early the week of August 3.

3. ADMINISTRATIVE SECTION

JEDC has not calculated its administrative costs in detail. Some costs include:

- JEDC personnel has invested 800+ hours of effort.
- JEDC acquired HelloWorks software to manage paperless processes for the emergency loan program. We are now using this software also for the grant program, at a relatively small marginal cost.



To: Rorie Watt, CBJ Manager
CC: Jeff Rogers, CBJ Finance Director
 Mila Cosgrove, CBJ Deputy Manager
From: Brian Holst, JEDC Executive Director
Date: Wednesday, July 22, 2020
Re: Update on COVID19 CBJ Sustainable Business Grant Program per CBJ Ordinance 2019-06 (AC)(b)(am)

Reporting Period: Wednesday, July 15 to Tuesday, July 21

1. INTRODUCTION AND OBJECTIVES

CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) which provides for \$3.5 million in grants to Juneau businesses experience financial hardship due to COVID19. Per the Ordinance, businesses must demonstrate Financial Hardship by showing a decline in business of 20% or more from 2019 to 2020. Once the qualify, they can then submit actual and estimated expenses for the period of April through August 2020 in three categories of “fixed” expenses: 1) utilities, 2) long-term debt, and 3) rent/leases. Thirty-three percent of those expenses, up to \$33,000, can be granted to businesses, including non-profits. This program is Phase One of a three phase program. Phases Two and Three may be adjusted to better meet the needs of the business community. An additional \$8.5 million is currently earmarked for these future phases.

This report covers the initial period of the program through the third week of July.

2. PROGRAM SECTION

a. Summary of Main Activities

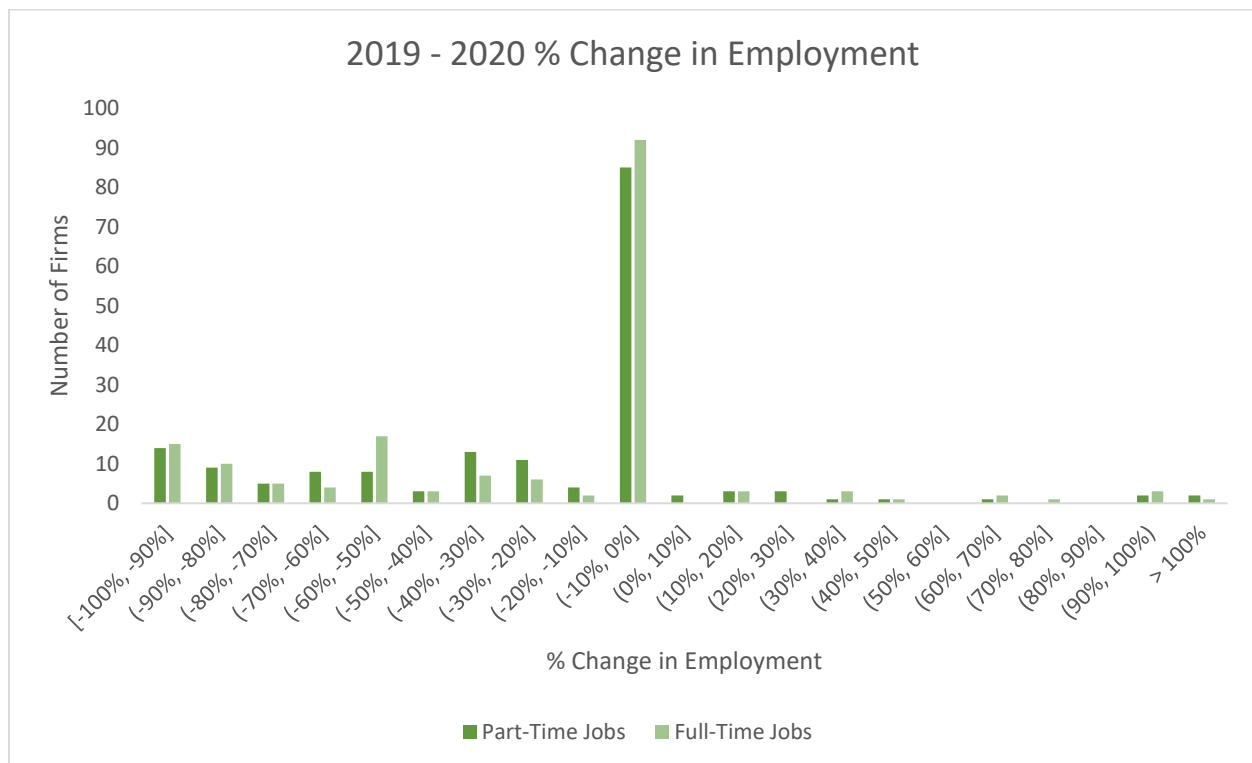
CBJ Assembly adopted Ordinance 2019-06 (AC)(b)(am) on Monday, June 8. On Wednesday, June 17, JEDC received and signed an agreement with CBJ to operate the program. Upon mutual agreement with CBJ Manager’s Office, JEDC opened up the application process on Monday, June 15. On Friday, June 19, JEDC received the first batch of twenty applications back from CBJ after the verification of CBJ reported revenues and tax compliance—a pre-requisite for the program. JEDC received funds for the program from CBJ on Monday, June 22. JEDC began issuing grants to qualified businesses that week.

b. Significant Events and Accomplishments

- JEDC has received 206 applications.
- Of that number, one application has been declined or set aside because of tax compliance issues, duplicate, incomplete, or withdrawn application.
- CBJ has reviewed tax compliance for 203 applications to date.

Covid-19 Business Sustainability Grant Weekly Report: 7/21/20		Applications	Dollars	Full-Time Jobs	Part-Time Jobs
Total		206		804	647
Post-Approval		125	\$ 1,407,226	467	402
	Money Sent	81	\$ 948,591	296	332
	Documents Sent	24	\$ 202,093	35	21
	Eligibility Report Sent	18	\$ 254,928	135	48
	Approved	2	\$ 1,613	1	1
Pre-Approval		80		337	245
	Final Review	34	\$ 304,269	170	95
	Initial Review	46		167	150
Not Active (Duplicate, Disqualified, Withdrawn)		1			

- The 125 businesses with approved grants have 402 part-time and 467 full-time positions during the period of April through August 2020, as reported/estimated by each applicant. This data is voluntary and 133 applicants provided employment information.



- Grant applicants provided information about the number of part-time and full-time employment in 2019 compared to 2020 (actual and projected). The above chart shows the percentage decline in positions from 2019 to 2020, self-reported from all applicants.

c. Anticipated Challenges/Problems/Opportunities/Recommendations

- Grant size continues to average close to \$11,000 per award in Phase 1, which will require 300+ grants to fully allocate the resources.

3. ADMINISTRATIVE SECTION

JEDC has not calculated its administrative costs in detail. Some costs include:

- JEDC personnel has invested 750 hours of effort.
- JEDC acquired HelloWorks software to manage paperless processes for the emergency loan program. We are now using this software also for the grant program, at a relatively small marginal cost.



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor

Email: Economic-Stabilization@juneau.org

Mail: 155 S Seward Street, Juneau, AK 99801

www.beta.juneau.org/assembly/economic-stabilization

Date: July 27, 2020

To: Loren Jones, Chair, CBJ Finance Committee

From: Economic Stabilization Task Force, Co-Chairs Linda Thomas and Max Mertz

Re: Response to Inquiry about Nonprofit Stabilization Grant Program

The following information is in response to questions raised at the July 23, 2020 Finance Committee meeting concerning the number of nonprofits that might apply for funding for each of the levels of funding proposed in Ordinance 2020-36.

There are approximately 170 nonprofits in Juneau, Auke Bay, and Douglas that recorded having income last year. First we identified how many were in each income category. Then we looked at the actual nonprofits and estimated that about half in each category would either not be eligible or would have already received other CARES Act funds, thereby reducing or eliminating what funding they would receive from this program.

We then used our estimated list of eligible and applying organizations and multiplied by the maximum amount that they might receive. The total was a little over \$3.5

Next, acknowledging that no business or nonprofit might receive all the funds that they need, and looking at other needs in the community, we request that \$3M of CARES Act funds be used for the Nonprofit Sustainability Grant Program.

Revenue	Total Nonprofits in Revenue Category	Estimate of Eligible Organizations	Maximum Amount	Total
0-24,999	10	4	\$5,000	\$20,000
25,000-49,999	11	8	\$10,000	\$80,000
50,000-\$249,999	67	32	\$25,000	\$800,000
250,000-99,999	36	15	\$50,000	\$750,000
1,000,000 or >	46	19	\$99,000	\$1,881,000
				\$3,531,000

Presented by: COW
Introduced: 6/8/2020
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-06(AG)(d)

An Ordinance Appropriating up to \$8,500,000 to the Manager for Phases 2 and 3 of a COVID-19 Business Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.

WHEREAS, the Economic Stabilization Task Force recommended that the Assembly consider economic support to businesses suffering interruptions due to COVID-19 related business closures; and

WHEREAS, on April 9, 2020, the Centers for Disease Control and Prevention (CDC) renewed the No Sail Order and Other Measures related to cruise ships to prohibit certain cruise ships from transporting passengers to ports in the United States; and

WHEREAS, since early March, 2020, the State of Alaska issued COVID-19 Health Mandates that reasonably restricted travel, gatherings, close personal interactions, schools, and medical and dental procedures; and

WHEREAS, since early March 2020, the Assembly issued COVID-19 directions regarding travel quarantines (Res. 2886), hunkering down (Res. 2885), and cloth face coverings (Res. 2890); and

WHEREAS, the public health mandates and directions protected the health of the people in the City and Borough of Juneau and nearby communities; and

WHEREAS, COVID-19 caused severe economic harm to businesses in the City and Borough of Juneau because people were encouraged to hunker down, businesses were mandated to close or severely limit operations, and nearly all of the forecasted cruise ship tourism has been canceled; and

WHEREAS, failing to protect the economically vulnerable businesses from the severe loss of revenue would result in further adverse impacts to Juneau's economic and social service network; and

WHEREAS, the COVID-19 Business Sustainability Grant Program is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Business Sustainability Grant Program is being created by this ordinance and program expenses were not accounted for in the FY20 budget; and

WHEREAS, the COVID-19 Business Sustainability Grant Program expenses are incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of eight million and five hundred thousand dollars (\$8,500,000.00) for Phases 2 and 3 of the COVID-19 Business Sustainability Grant Program to be granted to the Juneau Economic Development Council (Grant Administrator) and used consistent with this ordinance. This is an appropriation for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Section 3. Source of Funds:

CARES Act Special Revenue Fund	\$8,500,000.00
--------------------------------	----------------

Section 4. COVID-19 Business Sustainability Grant Program Terms. The program is subject to the following terms and conditions:

- (a) **Administration.** The Manager is authorized to execute a grant agreement with the Grant Administrator for disbursement of COVID-19 Business Sustainability Grant Program funds. The Grant Administrator is responsible for assuring the program funds are disbursed only to eligible businesses. The Grant Administrator shall be provided a reasonable administration fee based on actual expenses. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly. The Grant Administrator shall return all unencumbered monies existing on November 1, 2020, promptly back to the City and Borough of Juneau.
- (b) **Entity types.** The program is open to all qualifying businesses (including a nonprofit), regardless of whether they have applied for or have obtained any other state or federal COVID-19 related assistance if (1) the business was registered in Alaska on or before January 1, 2020, (2) had a physical presence in Juneau, Alaska on February 15, 2020, and (3) continuously operated through the date of application unless the business is seasonal or was subject to a government mandated shutdown. The program will exclude from eligibility C Corporations traded on a U.S. stock exchange or a corporate-equivalent entity traded on a foreign stock exchange, and businesses owned in whole or majority—owned by such a publicly traded corporation or national chains that own and operate their premises in Juneau; franchisee owned and operated businesses in Juneau would be eligible.

- (c) **Grant application.** A business seeking a grant may provide supporting documents electronically and the business owner, managing member, or equivalent person must submit an original grant application form in person or electronically to the Grant Administrator.
- (d) **Confidentiality.** Except as provided in this ordinance, all application material submitted for a Business Sustainability Grant and all information contained therein (Grant Data) shall be kept confidential except for inspection by:
 - (1) Employees and agents of the City and Borough, including the Grant Administrator, whose job responsibilities are directly related to such applications and information;
 - (2) The business owner, managing member, or equivalent person and supplying such application and information; and
 - (3) Court order.

However, nothing in this ordinance shall be construed to provide confidentiality to the name of the applicant, address of the applicant, and the amount of grant award, if any.

The Grant Administrator must hold this Grant Data in strict confidence and not disclose, publish, or otherwise reveal the Grant Data to any other person or entity unless expressly authorized by the CBJ in writing. The Grant Administrator must use all reasonable means to safeguard the Grant Data at its own expense. The Grant Administrator is prohibited from making copies or otherwise modifying the Grant Data without express written permission of the CBJ. Upon completion of the phases, the Grant Administrator shall transfer all Grant Data to the CBJ Finance Director. Upon confirmation that the CBJ received the Grant Data, the Grant Administrator shall destroy all copies of the Grant Data.

If the Grant Administrator becomes aware of any possible unauthorized disclosure or use of the data, the Grant Administrator shall promptly advise the CBJ and take all necessary actions to enjoin the dissemination of the data.

- (e) **COVID-19 financial hardship.** An applicant must provide proof of a year over year decrease in revenue starting April 1, 2020, which equals or exceeds twenty percent. Year over year sales tax returns or other similar documentation of substantial revenue decline is required.
- (f) **Assertion of need.** An applicant shall disclose if the business has applied for or received any other grant or forgivable loan. An applicant that has received any other grant or forgivable loan must provide satisfactory documentation that a Business Sustainability Grant is still necessary to sustain business operations. An applicant that applied for or received any other CARES Act funding from CBJ may be eligible if the other grant amounts do not exceed the amount the entity is eligible for under this program.

- (g) **Sales and property tax compliance.** A business with any sales or property tax delinquency as of March 1, 2020, is not eligible for a grant unless the business first executes a confession of judgment with the City and Borough of Juneau for all outstanding taxes. A business that is fully compliant with a confession of judgment payment plan is eligible.
- (h) **Exceptions.** The Grant Administrator, after receiving direction from the Manager or designee, has the authority to make reasonable exceptions that match the intent of this grant program.
- (i) **Phase 2 maximum grant amount.** The maximum grant amount for Phase 2 shall not to exceed \$99,000 per business and not exceed:
- (1) 100% of the business' total lease/rent, utility, long-term debt costs between April 1 and October 31 ("fixed costs"); and
 - (2) \$10,000 for the following: 20% of short-term debt and inventory purchased for resale, which was acquired between January 1, 2020, and April 15, 2020 not financed using short-term debt.
- A business that receives a Phase 1 grant and a Phase 2 grant can receive no more than \$99,000 per business per this program. A business that received a Phase 1 award must reapply in order to be eligible for a Phase 2 award. A business that received a Phase 1 grant need not reapply for Phase 2 but must notify the Grant Administrator that the business is requesting the eligible Phase 2 grant award (i.e. two times the Phase 1 grant). A business that received a Phase 1 grant and that wishes to apply for additional qualifying expenses in Phase 2, must reapply.
- (j) **Phase 3 small grant amount.** Phase 3 is designed for smaller businesses. The maximum grant amount for Phase 3 shall be ten percent of the 2019 gross business revenue or \$5,000, whichever is less. A business that receives a Phase 1 or Phase 2 grant that exceeds \$5,000, individually or combined, is not eligible for a Phase 3 grant. A business that receives a Phase 1 or Phase 2 grant and the total amount of the Phase 1 and Phase 2 grants is less than \$5,000, may be eligible for a Phase 3 grant up to the maximum grant amount of Phase 3. Phase 3 applicants are not subject to Section 4 (e) Financial Hardship but still need to certify that they have been adversely impacted by COVID-19.
- (k) **Grant application period.** The grant application period shall be three weeks starting on no later than August 10, 2020. If after the initial grant application period there is still funding available, the Manager may direct the Grant Administrator to reopen the application period for a first come first served basis.
- (l) **Initial priority.** The Grant Administrator shall review applications and notify applicants if the application is incomplete during the initial application period. If an application is incomplete during the initial application period, the applicant must cure the defect by September 11, 2020. The Manager is authorized to direct

the Grant Administrator to proportionally allocate available funding if demand is greater than funding available.

Section 5. Effective Date. This ordinance shall become effective upon adoption. However, Section 2 of this ordinance is conditioned upon the City and Borough of Juneau receiving CARES Act funding from the State of Alaska.

Adopted this _____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

Presented by:
Presented:
Drafted by:

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-37

An Ordinance Appropriating up to \$500,000 to the Manager for a COVID-19 Business Safety Program; Funding provided by the CARES Act Special Revenue Fund.

WHEREAS, the Economic Stabilization Task Force Recommended that the Assembly consider reimbursing businesses for investments made in masks, personal protective equipment (PPE), and other infrastructure necessary to support continued business operations during the COVID-19 pandemic; and

WHEREAS, this grant program would facilitate and encourage businesses to implement or continue implementing safety measures to protect employees and customers due to COVID-19; and

WHEREAS, Alaska is experiencing a substantial increase in COVID-19 cases since June and especially during the first week of July (424 active cases on June 30 to 598 active cases on July 5); and

WHEREAS, the people in the City and Borough of Juneau have managed to avoid the substantial increase in COVID-19 cases; and

WHEREAS, businesses that have implemented COVID-19 safety measures like installing physical dividers, requiring use of face coverings, enhancing cleaning routines, and providing hand cleaning stations should be partially reimbursed for the assertive actions; and

WHEREAS, businesses that have not yet implemented the full suite of COVID-19 safety measures, including providing physical dividers or requiring use of face coverings when people are within six feet of each other, would benefit from a financial incentive to encourage such public health protections; and

WHEREAS, the Centers for Disease Control and the State of Alaska (Health Alert 10) recommend everyone to wear a cloth face covering when in a public setting where other social distancing measures are difficult to maintain, which can minimize asymptomatic individuals with COVID-19 from unknowingly spreading the disease; and

WHEREAS, the COVID-19 Business Safety Grant Program is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Business Safety Grant Program is being created by this ordinance and program expenses were not accounted for in the FY20 budget; and

WHEREAS, the COVID-19 Business Safety Grant Program expenses are incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of five-hundred thousand dollars (\$500,000.00) for a COVID-19 Business Safety Grant Program to be granted to the xxx (Grant Administrator) and used consistent with this ordinance.

Section 3. Source of Funds:

CARES Act Special Revenue Fund \$500,000.00

Section 4. COVID-19 Business Safety Grant Program Terms. The program is subject to the following terms and conditions:

- (a) **Administration.** The Manager is authorized to execute a grant agreement with the Grant Administrator for disbursement of COVID-19 Business Safety Grant Program funds. The Grant Administrator is responsible for assuring the program funds are disbursed only to eligible businesses. The Grant Administrator shall be provided a reasonable administration fee based on actual expenses. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly. The Grant Administrator shall return all unencumbered monies existing on November 31, 2020, back to the City and Borough of Juneau.
- (b) **Program Dates.** This program terminates on October 31, 2020.
- (c) **Entity types.** The program is open to all qualifying businesses (including a nonprofit), regardless of whether they have applied for or have obtained any other state or federal COVID-19 related assistance if
 - (1) the business was registered in Alaska or held a similar license (i.e. commercial fishing vessel license or permit) before July 1, 2020;
 - (2) has a physical presence in Juneau, Alaska;
 - (3) continues to be open, including by appointment only; and
 - (4) seeks reimbursement for expenses incurred between March 1 and October 31, 2020.

- (d) **Grant application.** A business owner, managing member, or equivalent person may submit a grant application form in person or electronically to the Grant Administrator.
- (e) **Sales and property tax compliance.** A business with any sales or property tax delinquency as of March 1, 2020, is not eligible for a grant unless the business first executes a confession of judgment with the City and Borough of Juneau for all outstanding taxes. A business that is fully compliant with a confession of judgment payment plan is eligible.
- (f) **Exceptions.** The Grant Administrator, after receiving direction from the Manager or designee, has the authority to make reasonable exceptions that match the intent of this grant program.
- (g) **Allocations.** The Grant Administrator should initially set aside 75 percent for the Part A PPE Reimbursement Grant and set aside 25 percent for the Part B Face Covering Incentive Grant. The allocations may be adjusted at the direction of the Manager.
- (h) **Part A PPE Reimbursement Grant.** An eligible business may apply for one of the following grants:
 - (1) **Grants of \$200.00 and less.** Eligible businesses may be reimbursed for up to \$200 for providing PPE, physically retrofitting their business premises, and making technology-based adjustments to allow for proper social distancing and protection of their employees and customers. Businesses can also include the costs of providing face coverings for all employees and all customers. While no receipts are required, a business owner or manager must affirm the COVID-19 retrofitting, social distancing, and PPE related costs exceed the requested grant amount. Expenses cannot be for supplies intended for resale.
 - (2) **Grants between \$200.01 and \$5,000.00.** Eligible businesses may be reimbursed for any documented costs of providing PPE, physically retrofitting their business premises, and making technology-based adjustments to allow for proper social distancing and protection of their employees and customers. Businesses can also include the costs of providing face coverings for all employees and all customers. Total grant amount is 75 percent of actual costs incurred up to a maximum of \$5,000.00 per business. Expenses cannot be for supplies intended for resale.
- (i) **Part B: Face Covering Incentive Grant.** A business that requires use of face coverings by employees and customers on the date of application and promises to continue requiring use of a face covering for the next 30 days is eligible for a \$1,000.00 incentive grant.

- (1) **Priority for Part B.** During the first 15 days of this program, the Grant Administrator shall only accept and process applications from eligible businesses that did not receive any federal, state, or local grant or forgivable loan. On the 16th day of this program, the Grant Administrator shall accept and process applications from all eligible businesses in the order received. If an application is deemed incomplete, the applicant has a three-day grace period from notice of an incomplete application to cure to maintain the initial filing date. A Part B Face Covering Incentive Grant may be awarded at the same time, even during the first 15 days of the program, and in addition to a Part A Reimbursement Grant.

Section 5. Effective Date. This ordinance shall become effective upon adoption. However, Section 2 of this ordinance is conditioned upon the City and Borough of Juneau receiving CARES Act funding from the State of Alaska.

Adopted this _____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

**ASSEMBLY FINANCE COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
Thursday, July 23, 2020, 12:00 PM.
Zoom Webinar & FB Live Stream**

(webinar: <https://juneau.zoom.us/j/96422797035> or call: 1-346-248-7799 Webinar ID: 964 2279 7035)

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- a. **Wednesday, July 8, 2020**

IV. ITEMS FOR DISCUSSION

- a. **Ordinance 2020-40 An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed \$15,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition or Propositions to the Voters at the Election to Be Held on October 6, 2020.**
- b. **Ordinance 2020-36: An Ordinance Appropriating up to \$3,000,000 to the Manager for a COVID-19 Nonprofit Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.**

V. NEXT MEETING DATE

- a. **Wednesday, August 5, 2020**

VI. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotope containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

DRAFT
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Zoom Webinar & Facebook Live Stream
Wednesday, July 8, 2020

The AFC meeting convened immediately following a Special Assembly Meeting beginning at 5:00 PM

I. CALL TO ORDER

The AFC meeting was called to order at 5:29 PM by Loren Jones, Chair.

II. ROLL CALL

Committee Members Participating Virtually: Mayor Beth Weldon; Loren Jones, Chair; Rob Edwardson, Alicia Hughes-Skandijs, Wade Bryson, Michelle Bonnet Hale, Marie Gladziszewski, Greg Smith

Committee Members Absent: Carole Triem

Staff Present Virtually: Rorie Watt, City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney; Robert Barr, Library Director

Others Present Virtually: Max Mertz, Economic Stabilization Task Force Co-Chair; Linda Thomas, Economic Stabilization Task Force Co-Chair, Kara Hollatz, Outreach Coordinator, Airlift Northwest

III. APPROVAL OF MINUTES

- a. The June 17, 2020 minutes were approved as presented.

IV. ITEMS FOR DISCUSSION

a. Allocation of CARES Act Funds

Mr. Watt described the new pie chart of actual expended and potential expenditures of CARES Act funding. CBJ has appropriated \$26.1 million and a number of other programs are in the queue. Mr. Watt brought the Assembly's attention to the Business Relationship Diagram, explaining that if there is an area of support that has not been contemplated, now is the time for the Assembly to ask either the Economic Stabilization Task Force (ESTF) to work on what that program might be, or staff through the Manager's Office. Mr. Watt reminded the Assembly of the expenditure deadline for the CARES Act funds of December 30, 2020.

Ms. Hale expressed concerns for Juneau's vulnerable population and residents that live paycheck to paycheck. She stated that the earlier PFD disbursement may mean that residents aren't using the funds to fill their oil tanks for the winter. She expressed her concern about Juneau's population staying warm, fed, and sheltered during the winter. She would like to see more focus on a food security program.

Mr. Watt responded to committee questions.

Ms. Gladyszewski expressed concerns about getting kids back to school safely, and inquired about personal protective equipment (PPE) to aid in doing this.

Mr. Watt responded to committee questions.

Chair Jones stated that the school has purchased PPE for teachers with the school's available CARES Act funding, but does not believe PPE has been purchased for students. If it is determined that students are also required to wear PPE, the school may be looking for additional funds to cover these costs.

Mr. Smith expressed concerns about the pie being seemingly quite served. He stated the unemployment bonus and eviction moratorium prohibitions will be going away at the end of the month, and is wondering what that will look like in August and September. He inquired about the ESTF, or someone else, doing a needs assessment in the community.

Mr. Watt reiterated that if there's an area in the community that is not being worked on, we need to start working on it now. He discussed further programs being considered that are meant to address community needs.

V. ITEMS FOR ACTION

a. Business Grant Program Phase 2/3

Mr. Watt explained that the ESTF and JEDC are working together on recommendations for the phase 2/3 grant program. This item is not ready for Assembly action, as recommendations have not yet been finalized. Mr. Watt recommended that this item be continued.

Motion: by Ms. Gladyszewski to keep the Business Grant Program Phase 2/3 in the Finance Committee until the Assembly hears from the ESTF.

No objection, motion passed unanimously.

b. Non-Profit Grant Program

Mayor Weldon presented the draft ordinance for the non-profit grant program, stating that the grant administrator for this program would be the Juneau Community Foundation (JCF).

Mayor Weldon responded to committee questions.

Linda Thomas, ESTF Co-Chair, responded to committee questions.

c. Airlift Northwest Request for Support

Mr. Watt explained that Kara Hollatz with Airlift Northwest submitted a request to the ESTF, who tendered it over to the Manager's Office. Mr. Watt communicated with the region, determining that President Peterson with Central Council already provided \$1.0 million of support to keep the plane in Juneau. Additional letters of support have come in including from Mr. Jones from the ER, JEMA Practice, and Southeast Conference. Mr. Watt recommended that the Assembly consider \$500,000 of CARES Act funding provided that Airlift Northwest keep the plane in Juneau for the remainder of the calendar year. He stated that LifeMed has also made a request for CARES funding which the ESTF is reviewing tomorrow. Mr. Watt clarified that since Airlift Northwest is an entity of the University of Washington Medicine, they are ineligible for most of the available CARES Act funding.

Mr. Watt responded to committee questions.

Ms. Hollatz responded to committee questions, explaining that the PC 12 turboprop plane is unique in the sense that it can land on shorter runways to support many of Southeast Alaska's smaller communities. Additionally, it can be configured to hold up to two passengers at a time, and accommodates bariatric patients up to 450 pounds, while performing longer range flights, if needed. She further explained that a consequence of the plane leaving Southeast Alaska would be delayed patient care. With President Peterson's pledge, Airlift Northwest's plan is to keep the plane in Juneau until the end of the summer.

Mr. Watt explained to the Assembly that on his call with the other communities, he told them that Juneau's Assembly would want to know what other communities are doing. Mr. Watt encouraged the other communities to support the request with funds if indeed it was important to them.

Motion: by Mayor Weldon to have the attorney draft an appropriating ordinance for \$500,000 to Airlift Northwest of CARES Act money, and then it can be discuss it as it moves slowly forward as the Committee looks at the other requests.

No objection, motion passed unanimously.

The meeting recessed at 6:30 PM.

The meeting reconvened at 6:40 PM.

d. Consideration of Building Purchase for Sheltering

Mr. Watt presented the memo from Mr. Ciambor about emergency cold weather shelter use background costs and point-in-time count numbers. Purchase of a building for this purpose would be eligible for CARES Act funding because it allows the purchase of a building for sheltering of vulnerable populations. Generally, CARES Act funds cannot be spent on the construction of a new building, but it could not be built quickly enough to be “necessary”. Mr. Watt requests that the Assembly does not object to a solicitation for building purchases that can be brought before the Assembly for consideration.

Mr. Watt responded to committee questions.

Motion: by Mayor Weldon to direct the City Manager to solicit available properties that could be acquired to meet the needs of operating a cold weather shelter and using CARES Act funding to do so.

No objection, motion passed unanimously.

e. Infrastructure Bond

Mr. Watt explained that the ESTF has identified that finding ways to stimulate the economy is very important early on, and has therefore proposed an infrastructure bond package. The goal is economic activity in the construction trades and professional services trades. Mr. Watt cautioned the Assembly that the timeline for the bond package is very short, an ordinance would have to be introduced to get the bond package on the ballot and up for public hearing by August 3rd. Mr. Watt suggested that a good starting point for the bond package would include \$5 million for school roofs, \$5 million for parks, and \$5 million for the West Douglas Pioneer Road.

Mr. Rogers presented the debt service model to the Assembly. He explained that the absence of school bond debt reimbursement will require over \$5 million of

General Fund support in FY21 to prevent the Debt Service Fund from going negative. The status quo debt service mill rate model assumes that CBJ will receive 100% of the school bond debt reimbursement in FY22 – FY25. Mr. Rogers presented that any reimbursement percentage below 100% will cause the debt service mill rate to increase from the current rate without additional General Fund support. Through the model, Mr. Rogers further explained that between FY21 – FY23, about \$12 million of General Fund support is required to keep the debt service mill rate flat. This does not include the infrastructure bond package under consideration. Mr. Rogers concluded that yes, the City has debt capacity, but the question is what is the Assembly's tolerance in regards to the mill rate, how much does CBJ believe will be reimbursed for school bond debt, and how much is the Assembly willing to contribute to the Debt Service Fund from the General Fund, not really to pay debt costs but to deal with the fact that the State is not reimbursing for school bond debt.

Mr. Rogers and Mr. Watt responded to committee questions.

Hs. Hale expressed that she would like the Aurora Harbor improvements added to the list for consideration for the bond package.

Mr. Edwardson requested that evidence be provided to the Assembly that infrastructure does indeed stimulate the economy.

Ms. Gladziszewski inquired about utility projects being added to the list to reduce pressure on increasing utility rates.

Mr. Rogers explained that there are State loan programs that are preferable for utility projects as they come with lower interest rates. He also explained that the Assembly could consider taking out revenue bonds against future passenger fee or utility fee revenues.

The Assembly discussed options of refinancing the school construction bond debt and amortizing it over a longer period of time to reduce the stress on the Debt Service Fund. Mr. Rogers explained that the Assembly could also choose to buy down the mill rate through additional contributions of general funds to the Debt Service Fund. Mr. Watt explained that contributions of general funds will require additional use of reserves or further reductions to the Capital Improvement Plan.

Chair Jones stated that the Assembly may also want to consider the Augustus Brown Pool capital improvement project for the infrastructure bond, as sales tax revenues may not generate enough funding to complete this project in the short term. The Assembly is also already looking at a potential increase to the mill rate in FY22 for childcare. Mr. Jones stated further that the City only has three more

years of school construction bond debt, and it doesn't make sense to refinance it for an additional 25 years to avoid not paying it for the next three years.

Ms. Gladziszewski cautioned the Assembly that the infrastructure bond projects need to be widely supported and uncontroversial if the package is going to pass a public vote.

The meeting recessed at 7:48 PM.

The meeting reconvened at 8:00 PM.

Motion: by Mayor Weldon to direct the City Manager to prepare a bond ordinance for introduction at a Special Assembly meeting on July 20th, which would include \$15 million for improvements to schools, parks, and extension of the West Douglas Pioneer Road to the water.

No objection, motion passed unanimously.

f. Arts/Culture Grants

Ms. Hale introduced the ESTF's recommendation for a 2020 Juneau ArtWorks Program to the Assembly, to be administered by the JAHC.

Ms. Hale responded to committee questions.

Chair Jones stated that the Committee did not have any objections to Ms. Hale drafting an ordinance and bringing it back in front of the Assembly when available.

g. Grants for Personal Protective Equipment and COVID Mitigation

Mr. Palmer presented Ordinance 2020-37 to the Committee. He explained that the ordinance stitches together two concepts, the first being a reimbursement program for PPE for businesses, and the second to provide a financial incentive to businesses that require employees and customers to wear masks, or provide a disinfectant station.

Ms. Hale provided additional detail about the grant program.

Mr. Palmer and Ms. Hale responded to committee questions.

Ms. Gladziszewski inquired as to why this program concept couldn't be added to the Business Sustainability Grant Program that's already being administered.

Mr. Mertz, ESTF Co-Chair, stated that the Committee may not want to limit applicant participation to folks that have 20% or more harm from COVID.

Perhaps CBJ doesn't want to limit it to that and instead have the program be broader.

VI. INFORMATION ITEMS

a. Staff Update on Bond Refinancing

Mr. Rogers explained that the bond refinancing that was performed in June saves the CBJ about \$300,000. The amount represents a future debt payment CBJ will not have to pay.

VII. NEXT MEETING DATE

- a. Wednesday, August 5th, 2020

VIII. ADJOURNMENT

The meeting was adjourned at 8:29 PM.

Presented by: The Manager
Introduced: 07/20/2020
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-40

An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed Fifteen Million Dollars to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition or Propositions to the Voters at the Election to Be Held Therein on October 6, 2020.

WHEREAS, improvements and renovations to the infrastructure and facilities of the City and Borough of Juneau, Alaska (the “City and Borough”) are needed in order to meet the current and future needs of the City and Borough; and

WHEREAS, the COVID-19 epidemic has placed unprecedented strain on the Juneau economy; and

WHEREAS, strained municipal revenues have caused certain public infrastructure projects to be delayed for lack of current funding; and

WHEREAS, economic stress and uncertainty has caused businesses to delay infrastructure projects that would have generated local economic activity; and

WHEREAS, history has demonstrated the economic stabilization and recovery benefits that accrue from public infrastructure spending in times of economic stress; and

WHEREAS, a number of school facilities are in urgent need of roof and facility repairs that have been deferred due to lack of funding; and

WHEREAS, the Parks and Recreation Department has worked with the community to develop detailed master plans to repair and improve specific parks, playgrounds, and other infrastructure that has reached the end of its useful life, yet remain unbuilt because of a lack of funding; and

WHEREAS, the community has developed master plans and other documents setting forth a vision for development of West Douglas for commercial and residential purposes; and

WHEREAS, certain projects listed in Section 3 below (the “Projects”) have been identified and approved by the Committee of the Whole as necessary to meet the needs of the City and Borough; and

WHEREAS, in order to provide funds for paying the cost of acquiring, constructing, renovating and equipping the Projects, it is deemed necessary and advisable that the City and Borough issue and sell its unlimited tax levy general obligation bonds in the principal amount of not to exceed \$15,000,000 (the “Bonds”);

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Findings. The Assembly of the City and Borough hereby finds and declares that the acquisition, construction, renovation and equipping of the Projects identified in Section 3 hereof are necessary and are in the best interest of the inhabitants of the City and Borough.

Section 3. Purposes. The Assembly has determined that the City and Borough is in need of the following:

- Critical repairs to schools, including roof replacements;
- Repairs and capital improvements to municipal park infrastructure and recreation facilities; and
- Construction of the extension to West Douglas Pioneer Road.

The foregoing are herein referred to as the “Projects.” The cost of all necessary architectural, engineering, design, and other consulting services, inspection and testing, administrative and relocation expenses, costs of issuance of the Bonds and other costs incurred in connection with the Projects that is approved by the electors shall be deemed capital improvement costs of the approved Projects. The approved Projects may be completed with all necessary furniture, equipment and appurtenances.

If the City and Borough shall determine that it has become impractical to accomplish any portion of the approved Projects by reason of changed conditions or needs, incompatible development or costs substantially in excess of those estimated, the City and Borough shall not be required to accomplish such portions and shall apply Bond proceeds as set forth in this section.

Interest earnings on Bond proceeds may be used and applied by City and Borough, at the direction of the City Manager or his or her designee, for the Projects or for other capital improvements or for the retirement of the Bonds or other general obligation bonds of the City and Borough.

If the approved Projects have been completed in whole or in part, or its completion duly provided for, or its completion found to be impractical, the City and Borough may apply Bond proceeds or any portion thereof as provided in Section 10.10 of the Home Rule Charter.

In the event that the proceeds of sale of the Bonds, plus any other monies of the City and Borough legally available, are insufficient to accomplish the approved Projects, the City and Borough shall use the available funds for paying the cost of those portions of the approved Projects for which the Bonds were approved deemed by the Assembly most necessary and in the best interest of the City and Borough. No Bond proceeds shall be used for any purpose other than a capital improvement.

Section 4. Details of Bonds. The Assembly hereby authorizes the issuance of general obligation bonds in order to fund the costs of the Projects described in Section 3 (the “Bonds”). The Bonds shall be sold in such amounts and at such time or times as deemed necessary and advisable by the Assembly and as permitted by law and shall mature over a period of up to 20 years of date of issue. The Bonds shall be issued in an aggregate principal amount of not to exceed \$15,000,000. The Bonds shall bear interest to be fixed at the time of sale or sales thereof. Both principal of and interest on the Bonds shall be payable from annual tax levies to be made upon all of the taxable property within the City and Borough, without limitation as to rate or amount and in amounts sufficient with other available funds, to pay such principal and interest as the same shall become due.

The full faith, credit, and resources of the City and Borough are hereby irrevocably pledged to the payment of both the principal and interest on such Bonds. The exact form, terms, conditions, contents, security, options of redemption, and such other matters relating to the issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly shall be as hereinafter fixed by ordinance and resolution of the City and Borough.

Section 5. Submission of Question to Voters. The Assembly hereby submits to the qualified electors of the City and Borough the proposition or propositions of whether or not the City and Borough should issue the Bonds for the purpose of financing the costs of the approved Projects at the regular municipal election to be held on October 6, 2020.

The City and Borough clerk shall prepare the ballot proposition(s) to be submitted to the voters as provided by this ordinance and shall perform all necessary steps in accordance with law to place these propositions before the voters at the regular election.

Section 6. Ballot Proposition. The proposition(s) to be submitted to the qualified voters of the City and Borough as required by Section 5 above shall read substantially as follows:

Explanation

The proposition will authorize the issuance of \$15,000,000 in general obligation bond debt for paying the cost of planning, design and construction of municipal infrastructure, facilities and related capital improvements, including the construction of West Douglas Pioneer Road, school roof replacements and municipal park improvements. The total annual debt service costs, assuming an interest rate of 3.5%, will be \$857,000. This amount of debt service would require an annual property tax levy of approximately 16.75 per \$100,000 of assessed value. This example of a property tax levy is provided for illustrative purposes only.

PROPOSITION NO. ____
GENERAL OBLIGATION BONDS

To promote the health, well-being, education, and economic recovery of the community by repairing school facilities and roofs, improving and maintaining park infrastructure and recreation facilities, and extending the West Douglas Pioneer Road, shall the City and Borough of Juneau, Alaska, issue and sell its general obligation bonds, maturing within 20 years of their date of issue, in the aggregate principal amount of not to exceed \$15,000,000?

BONDS, YES ☐

BONDS, NO ☐

After voter approval of the proposition and in anticipation of the issuance of the Bonds, the City and Borough may issue short term obligations, under such date and in such amount, form, terms, maturity, and bearing such rate or rates of interest, all as may hereafter be fixed by ordinance of the City and Borough, consistent with limitations imposed by State law and by the Home Rule Charter and Code of the City and Borough.

Section 7. Notice of Election. The Assembly shall cause a notice of election to be published once a week for three consecutive weeks in a newspaper for general circulation in the City and Borough. The first notice shall be published not later than September 16, 2020, which is 20 days prior to the regular municipal election. The notice shall contain the information required by Section 10.5 of the Home Rule Charter of the City and Borough.

Section 8. Effective Dates.

(a) The authority to issue general obligation bonds proposed in Section 6 of this ordinance shall become effective on the day following the date the election results are certified for the regular municipal election held on October 6, 2020, if a majority of the qualified voters voting on the proposition set forth in Section 6 votes for the proposition.

(b) Section 6 of this ordinance authorizing the submission of the ballot proposition to the qualified voters of the City and Borough shall become effective thirty days after adoption of this ordinance.

Adopted this ____ day of August, 2020.

Attest:

Beth Weldon, Mayor

Elizabeth J. McEwen, Municipal Clerk

Date: July 17, 2020
To: Jeff Rogers, City and Borough of Juneau
From: Jim Calvin and Katie Berry, McDowell Group
RE: Infrastructure Project Economic Impacts

The City and Borough of Juneau (CBJ) contracted with McDowell Group to estimate the economic impacts of capital improvements potentially funded by a general obligation bond package, which may appear on the October municipal election ballot.

Three potential infrastructure projects, briefly described below, are considered in this analysis. For purposes of this economic impact analysis, each project (or collection of projects) is assumed to have a \$5 million budget.

School upgrades and roof repairs

The Juneau School District has identified a number of Juneau schools in need of roof repair or replacement. While no specific projects have been identified for bond funding at this time, which schools would be subject to upgrades and repairs is not material to this economic impact analysis. It is assumed the work would occur in 2021.

Park improvements

The Parks and Recreation Department requested general obligation bond funding to perform repairs and replacements to facilities at local parks, Treadwell Arena, Eagle Valley Center, and the Hank Harmon Rifle Range. Various projects were proposed, including playground replacements, facility roof replacements, parking lot improvements, and drainage repair. It is assumed the work would occur in 2021.

West Douglas Pioneer Road extension

Extension of the West Douglas Pioneer Road would bring the gravel road from its current inland terminus to tidewater. While not currently open to motor vehicles, extending the single-lane road could eventually support commercial and residential development opportunities in the West Douglas Island area. It is assumed the work would occur over two construction seasons, in 2021 and 2022.

Economic Impacts

The local economic impact of a construction project depends on the amount of wages paid, the place of residence of those employed, and the local availability of materials, supplies, and services required to complete the project.

Economic impacts occur at three levels:

- **Direct impacts:** based on jobs, payroll, and spending directly resulting from project expenditures.

- **Indirect impacts:** based on economic activity generated as construction companies purchase goods or services from other businesses in support of each project.
- **Induced impacts:** based on economic activity generated as employees spend their payroll dollars in the local economy.

Together, indirect and induced impacts are termed “multiplier” effects. In general, multipliers are relatively low in Alaska because few if any of the goods and materials consumed locally are produced locally (i.e., Juneau gets its groceries, household items, building materials, etc., through Lower 48 providers). Alaska communities typically see a relatively high percentage of spending quickly leave the economy (often referred to as “leakage”) because materials are not produced or otherwise available locally.

Relatively high wages can push construction-related multipliers up. Construction activity spans a variety of occupations, including special trade contractors (carpenters, roofers, electricians, plumbers, etc.), equipment operators and truck drivers, as well as architects, engineers, and contract administrators, among others. Construction-related workers in Juneau generally earn above-average higher wages.

Table 1. Average Annual Employment and Wages, CBJ, 2019

Industry	Average Annual Employment	Average Monthly Wages and Salaries	Average Annual Wages and Salaries
All Industries	17,951	\$4,397	\$52,764
All Private Companies	11,232	\$3,876	\$46,512
Construction Related			
Construction of Buildings	244	\$4,475	\$53,700
Heavy Construction	136	\$8,008	\$96,096
Specialty Trade Contractors	243	\$4,887	\$58,644
Architects & Engineers*	na	\$7,427	\$89,124

Source: Alaska Department of Labor and Workforce Development. *Statewide average. Juneau-specific data is not available.

Industries that employ local residents in high-wage jobs have a larger induced economic impact, as employees spend their wages in the local economy. It is assumed the relatively small infrastructure projects considered in this analysis would mainly employ local workers.

Material purchases compose a high percentage of total costs for certain projects such as roof repairs. While some materials may be purchased through local distributors, specialized supplies and fixtures may not be available locally. For example, new playground equipment or industrial lighting fixtures purchased for a park upgrade might be sourced from a vendor outside Juneau. Equipment rentals and fuel are often key cost drivers in road construction projects. Both are readily available in Juneau.

ANALYSIS OF ECONOMIC IMPACTS

The purpose of this analysis is to estimate the economic impact of \$15 million in capital improvements that encompass the three categories of projects described above. The impacts of each project would not necessarily be uniform, as each has its own set of labor and materials requirements. However, the analysis is intended to measure total impacts (and not to support comparison of the proposed projects). In any case, differences in multiplier effects would be relatively minor.

Economic impact modeling indicates spending related to the projects would directly support approximately 55 jobs in Juneau. Over an 18-month timeframe, the projects would directly generate a total of about \$6.0 million in payroll (wages and salaries plus employer-paid benefits). Local spending by contractors and their employees would support about 35 additional jobs and \$1.9 million in additional payroll. In total, the infrastructure projects would support 90 jobs at the height of the construction efforts and total payroll of \$7.9 million. Indirect and induced economic activity (output or total spending) generated by the projects would total approximately \$6.1 million, bringing the total impact to about \$21 million.

As noted above, the actual economic impacts of these projects will depend on which firms are hired to complete work, their employment of resident workers, and material/supply purchasing practices.

Table 2. CBJ Infrastructure Construction-Phase Economic Impacts, 2021-2022

Category	Peak Employment	Total Payroll	Total Output
Direct impacts	55	\$6.0 million	\$15.0 million
Indirect and induced impacts	35	\$1.9 million	\$6.1 million
Total impacts	90	\$7.9 million	\$21.1 million

Source: McDowell Group calculations

LONG-TERM ECONOMIC BENEFITS

The preceding analysis considers only the short-term, temporary economic impacts associated with the capital improvement projects. While it is beyond the scope of this study to consider all the costs and benefits associated with this set of infrastructure projects, it is important to note that investment in infrastructure also have long-term economic (and other) benefits. Re-roofing projects, for example, may ensure building integrity and safety, and avoid costly and disruptive emergency repairs in the future. Similarly, investment in parks and recreation facilities can preserve functionality and the social benefits associated with those facilities. Extension of the West Douglas Pioneer Road may have the highest potential to support economic development, as it enhances access to high-value public and private property in an area designated for future community growth.

TIMING OF INFRASTRUCTURE INVESTMENT

Investment in infrastructure can have value throughout economic cycles. While all infrastructure investments should be based on the premise that benefits will extend beyond the jobs and wages generated by the initial expenditure, spending on infrastructure during economic downturns can be used to support existing jobs that might otherwise be at risk. Infrastructure investment when economies are presently strong can be used to spur needed diversification or take advantage of specific development opportunities.

**Engineering & Public Works Department**

155 South Seward Street

Juneau, Alaska 99801

Phone: 907-586-0800 | Fax: 907-463-2606

DATE: July 22, 2020

TO: Loren Jones, Chair
Finance Committee

FROM: Katie Koester, Director
Engineering & Public Works

SUBJECT: Potential Projects for Proposed Bond Package

The purpose of this memo is to provide the Assembly with additional information on the potential projects that would be constructed with passage of the bond package proposed in Ordinance 2020-40. The proposed projects have been pulled from the Capital Improvement Plan with an emphasis on projects that will provide local employment and economic development. Please keep in mind cost estimates at this point are just that, estimates. As we work through design some projects will become more feasible and appropriate to achieve the Assembly's goals. This is why the bond language as proposed does not include a specific list, but maintains some level of flexibility. The Assembly will have the opportunity to vet the projects, and importantly, inform the voters between now and October. Authorization of any specific project will require Assembly approval when appropriating the bond proceeds, in addition to public process at the committee level for more detailed analysis.

Parks

The Finance Committee was presented with a memo dated July 2, 2020 from Parks and Recreation Director Schaaf outlining proposed Parks and Recreation projects (attached).ⁱ Parks and Recreation developed a list of park projects that are too large to be accomplished through the annual deferred maintenance appropriation in the CIP about a year ago, which they drew on for this list. Criteria used to come up with the recommend projects include: the park has a master plan and the project was listed as part of that plan; the project would employ local workforce; the project could be completed in the near term; the project addresses longstanding deferred maintenance needs; and the project was listed on the CIP 6- year.

Proposed projects include improvements to Adair-Kennedy Memorial Park, Treadwell Arena, Capital School Park, Melvin Park, Savikko Park, Cope Park, Eagle Valley Center, Diamond Park, and Hank Harmond Rifle Range totaling a rough estimate of \$7.5m. While this number exceeds the \$5m allocation that has been discussed for parks, the scope of work provides flexibility to tackle a portion of a proposed improvements for a particular park, or further prioritize specific elements of the park improvements as we move through the design and bid process. Discussing the list and how to spread the improvements throughout Juneau parks will include more public process and is great place for committee

work. Any work that is done advancing these projects will be time well spent as they have all been identified as necessary for maintaining Park and Recreation infrastructure, even if full funding comes at a later date.

Schools

The school district submits a 6-year Capital Improvement Plan to the State Department of Education and Early Development (DEED) Annually. The top three priorities on that list are roof replacements, totaling \$5.25m. This list is also reflected in the CBJ 6-year CIP.ⁱⁱ These cost estimates were produced by Engineering last year and are just that, estimates. With design, we will be able to hone down on more accurate costs. The CBJ Assembly appropriated \$1.5m to replace the Gastineau Roof in the FY2021 CIP. The Assembly includes an annual \$1 million in the CIP for deferred maintenance projects at district schools. However, the cost of roof replacements eclipses what could be funded from this source, which is why conversation has focused around including roof replacements in a bond package.

West Douglas Pioneer Road (WDPR)

What has been done

Over a two year period (Jan 2017- Sept 2018) a small local construction company, ENCO Alaska, constructed 3.5 miles of pioneer road between North Douglas Hwy and Middle Creek under a \$2.3 million CBJ construction contract. Prior to construction, over a six year period, the CBJ contracted with several local consulting firms to provide planning, environmental permitting, and survey and design assistance. A local consultant firm was also engaged to provide construction administration and inspection. Total project funding for all components of Phase I work (to Middle Creek) was \$3 million dollars, most of which was spent locally.

Proposed Project

The \$5m included in the bond package would fund 4.8 miles of new road to extend the WDPR southwards from Middle Creek to Point Hilda will involve a similar level of preconstruction planning, design and permitting effort as in Phase I. CBJ's LIDAR was used extensively during the design for phase I and has been utilized to select a preliminary road alignment for Phase II to Point Hilda. See the preliminary route map with landownership labeled.ⁱⁱⁱ

The proposed road extension to Point Hilda is intended to be located on CBJ property for much of the route as practicable, but discontinuous land ownership patterns and topography will require partnering with Goldbelt and/or Forest Service.

The Why

The City and Borough of Juneau Comprehensive Plan, adopted by the Assembly in 2013, specifies CBJ and Goldbelt lands on West Douglas as a "New Growth Area". These lands are identified in the West Douglas Conceptual Plan that was adopted as an addition to the Comprehensive Plan. The purpose of the West Douglas road extension is to open up CBJ and Goldbelt lands for development and recreational access. In accordance with adopted community plans, the development is needed to allow for and facilitate community growth. Specifically, the purposes of the pioneer roadway include:

1. Allow direct access to parcels identified as “New Growth Areas” in the land development plans.
2. Allow easier access to the lands for planning, soils investigations, and marketing of the properties.
3. Allow access for detailed site specific study of smaller tracts.
4. Add value to the lands for subsequent sale and/or trade.
5. Allow for cultural use of the lands.
6. Allow for subsistence use of the lands.
7. Allow for recreational access to the lands.

By extending the road to Point Hilda, CBJ will gain direct access Development Areas 2 and 3, and set up a jumping off point for access to Development Area 4 (refer to map in Executive Summary - West Douglas Concept Plan).

ⁱ Memo dated July 2, 2020 RE: Parks Infrastructure Projects

ⁱⁱ CBJ Capital Improvement Plan – Division - Schools

ⁱⁱⁱ Map: West Douglas Pioneer Road proposed route to water



TO: Rorie Watt, City Manager
FROM: George Schaaf, Parks & Recreation Director
DATE: July 2, 2020
RE: Park Infrastructure Projects

The Parks & Recreation Department respectfully requests a general obligation bond to fund the following projects be considered for the October 2020 municipal election. These projects address longstanding deferred maintenance needs in some of Juneau's most heavily used parks, and implement adopted park master plans. Importantly, these projects would provide significant work for small and medium-size contractors and consultants affected by the economic impacts of COVID-19.

Facility	Scope of Work	Est. Cost
Adair-Kennedy Memorial Park	Replace restroom/concession building Replace utilities (water/sewer) Replace lighting Construct new entry plaza Repair track	\$2,500,000
Treadwell Arena	Replace leaking roof	\$1,100,000
Capital School Park	Replace playground Replace basketball court Replace retaining wall Improve drainage Construct new open play area Install security lighting	\$1,000,000
Melvin Park	Replace inoperable field lighting	\$1,000,000
Savikko Park	Replace playground Repave parking lot and improve drainage Replace curb and gutter Construct new entry plaza	\$750,000
Cope Park	Pave parking lot Install curb, gutter, and ADA sidewalks	\$500,000

(Continued)

Eagle Valley Center	Pave parking lot Repair drainage to prevent building damage	\$250,000
Dimond Park	Install ADA sidewalks Install adult fitness machine circuit Construct new dog park	\$200,000
Hank Harmon Rifle Range	Repair safety berms Improve drainage Replace shooting benches	\$200,000
TOTAL		\$7,500,000

Adair-Kennedy Memorial Park



Capital School Park



Cope Park



Savikko Park



Hank Harmon Public Range



Dimond Park

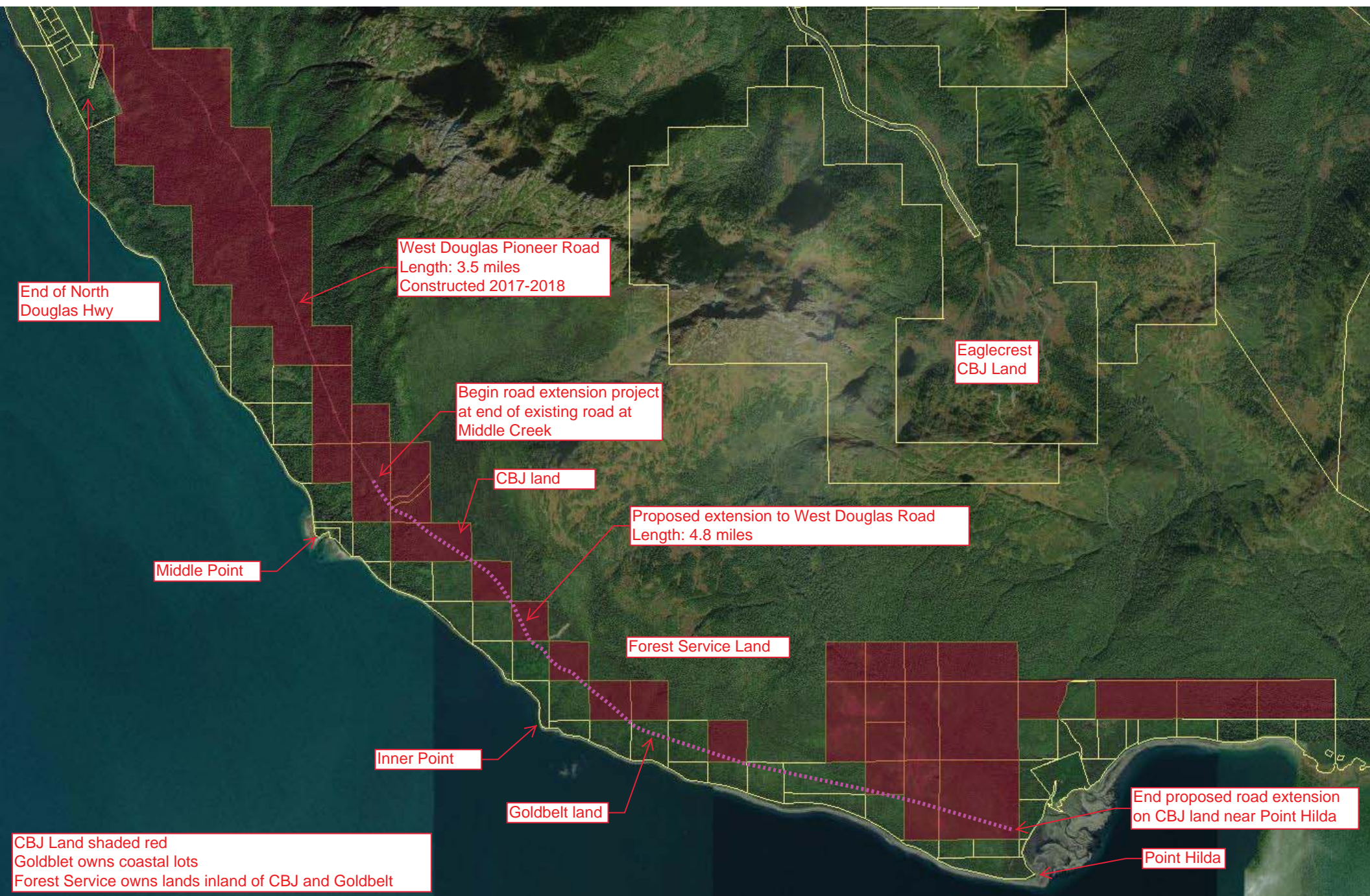


Juneau School District Infrastructure Priorities for Bond Consideration*Updated July 22, 2020*

Roof Repairs, from DCCED Grant Request List	Estimated Cost	Running Total
Sayéik: Gastineau Community School Partial Roof Replacement	\$ 1,600,000	\$ 1,600,000
Dzantiki Heeni Middle School Roof Replacement	\$ 1,750,000	\$ 3,350,000
Riverbend Elementary School Roof Replacement	\$ 2,800,000	\$ 6,150,000
Juneau-Douglas High School Roof Repair	\$ 525,000	\$ 6,675,000
Floyd Dryden Roof Repair	\$ 525,000	\$ 7,200,000
 Boiler Room Renovations, from JSD CIP List		
JDHS Boiler Room Renovation	\$ 1,471,250	\$ 1,471,250
MRCS Boiler Room Renovation	\$ 800,000	\$ 2,271,250
 Roof Repairs, from DCCED Grant Request List + Boiler Room Renovations, from JSD CIP List =		 \$ 9,471,250

Thank you for supporting Juneau's schools!

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS							
Division	Project Description						
Division	Priority	FY21	FY22	FY23	FY24	FY25	Future
Schools							
JSD Buildings Major Maintenance/ Match	1	\$ 1,000,000					
Sayeik: Gastineau Community School Partial Roof Replacement	2	\$ 1,500,000					
Dzantik'I Heeni Middle School Roof Replacement	3	\$ 1,750,000					
Riverbend Elementary School Roof Replacement	4		\$ 2,000,000				
Juneau-Douglas High School Roof Repair	5			\$ 500,000			
Marie Drake Renovation	6				\$ 31,000,000		
Mendenhall River Community School Renovation	7				\$ 20,000,000		
Floyd Dryden Roof Repair	8					\$ 500,000	
Schools Total:		\$ 4,250,000	\$ 2,000,000	\$ 500,000	\$ 51,000,000	\$ 500,000	\$ -



Presented by: Weldon, Triem
Presented: 7/20/2020
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-36

An Ordinance Appropriating up to \$3,000,000 to the Manager for a COVID-19 Nonprofit Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.

WHEREAS, the Economic Stabilization Task Force Recommended that the Assembly consider economic support to nonprofit suffering interruptions due to COVID-19 related closures and increases in services; and

WHEREAS, since early March 2020, the State of Alaska issued COVID-19 Health Mandates that reasonably restricted travel, gatherings, close personal interactions, schools, and medical and dental procedures; and

WHEREAS, since early March 2020, the Assembly issued COVID-19 directions regarding travel quarantines (Res. 2886), hunkering down (Res. 2885) and cloth face coverings (Res. 2890); and

WHEREAS, on April 9, 2020, the Centers for Disease Control and Prevention (CDC) renewed the No Sail Order and Other Measures related to cruise ships to prohibit certain cruise ships from transporting passengers to ports in the United States, which caused nearly all the forecasted cruise ship tourism to be canceled; and

WHEREAS, the public health mandates and directions protected the health of the people in the City and Borough of Juneau and nearby communities; and

WHEREAS, COVID-19 has caused severe economic harm to nonprofits in the City and Borough of Juneau because some nonprofits closed or severely limited operations, other nonprofits have had a substantial increase in demand for services due to COVID-19; and

WHEREAS, failing to protect economically vulnerable nonprofits from the severe loss of revenue or severe increases in provided services would result in further adverse impacts to Juneau's economic and social service network; and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program is being created by this ordinance and program expenses were not accounted for in the FY20 budget; and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program expenses are incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of three million dollars (\$3,000,000.00) for a COVID-19 Nonprofit Sustainability Grant Program to be administered by the Juneau Community Foundation (Grant Administrator), with funds disbursed by the City and Borough of Juneau, and used consistent with this ordinance. This is an appropriation for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Section 3. Source of Funds:

CARES Act Special Revenue Fund	\$3,000,000.00
--------------------------------	----------------

Section 4. COVID-19 Nonprofit Sustainability Grant Program Terms. The program is subject to the following terms and conditions:

- (a) **Administration.** The Manager is authorized to execute a grant agreement with the Grant Administrator for disbursement of COVID-19 Nonprofit Sustainability Grant Program funds. The Grant Administrator is responsible for assuring the program funds are disbursed only to eligible nonprofits. The Grant Administrator shall be provided a reasonable administration fee of up to \$25,000.00 based on actual expenses. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly. The Grant Administrator shall return all unencumbered monies existing on December 1, 2020, back to the City and Borough of Juneau.
- (b) **Entity types.** Any nonprofit entity is eligible to apply if
 - (1) The entity was registered in Alaska on or before January 1, 2020;
 - (2) The entity is an Internal Revenue Service certified 501(c)3,4,6,7, 19, or 23 nonprofit;
 - (3) The entity had a physical presence in Juneau, Alaska, on February 15, 2020;
 - (4) A substantial purpose of the entity is to provide ~~direct~~ services to the general public in the City and Borough of Juneau. Faith-based nonprofits are eligible so long as they provide services that are promoted and available to the general public without regard to religious affiliation; and
 - (5) The entity has been or will be adversely affected by loss of revenue, program changes, and direct costs between March 1 and December 31, 2020, due to the COVID-19 public health emergency.
- (c) **Grant application.** A nonprofit seeking a grant must apply to the Grant Administrator and may provide the application and supporting documents electronically.

(d) **COVID-19 financial hardship.**

- a. For grants of \$5,000 or less, an applicant will be required to affirm and describe how the nonprofit has been impacted significantly by COVID-19. Further documentation to demonstrate the economic impact may be required in the initial application.
- b. For grants in excess of \$5,000, an applicant must provide verification and additional information about economic impacts between March 1 and December 31, 2020 due to the COVID-19 public health emergency using the form provided. Examples of verification required are: revenue lost (e.g. earned revenue lost due to social distancing, non-earned revenue lost due to decreases in grants, donations, fundraisers not held), increased personnel costs due to COVID-19 because of hiring additional employees or having to contract work out due to lost or shared employees, and direct expenses (PPE, moving to working remotely, COVID-19 related accommodations to ensure mandate compliance, etc.). The Grant Administrator may deem an application incomplete if it lacks sufficient information to reasonably award a grant.

(e) **Assertion of need.** An applicant shall disclose if the entity has applied for or received any other CARES Act grant or forgivable loan. A nonprofit that applied for or received any other CARES Act funding from CBJ, local, state, federal, or tribal governments may be eligible if (1) it provides satisfactory documentation that a nonprofit grant is still necessary to sustain operations and (2) the other grants or forgivable loan amounts do not exceed the amount the entity is eligible for under this program. Foundations, with assets over \$5,000,000 or the foundation arm of a nonprofit are not eligible for this program.

(f) **Sales and property tax compliance.** A nonprofit that is subject to any sales or property tax and has a delinquency as of March 1, 2020, is not eligible for a grant unless the nonprofit first executes a confession of judgment with the City and Borough of Juneau for all outstanding taxes. A nonprofit that is fully compliant with a confession of judgment payment plan is eligible.

(g) **Exceptions.** The Grant Administrator, after receiving direction from the Manager or designee, has the authority to make reasonable exceptions that match the intent of this grant program.

(h) **Maximum grant amount.** The maximum grant amount is determined on a sliding scale and based on fiscal year end 2019 gross revenue (excluding any recorded amount from in-kind donations or volunteer time).

- a. Up to \$5,000 for nonprofits with less than \$25,000 in annual revenue.
- b. Up to \$10,000 for nonprofits with more than \$25,000 and less than \$50,000 in annual revenue.
- c. Up to \$25,000 for nonprofits with more than \$50,000 and less than \$250,000 in annual revenue.

- d. Up to \$50,000 for nonprofits with more than \$250,000 and less than \$1,000,000 in annual revenue.
- e. Up to \$99,000 for nonprofits with more than \$1,000,000 in revenue.
- (i) **Gross revenue verification.** Gross revenue is verified by fiscal year end 2019 IRS Form 990 or audited financial statements. For those nonprofits who have neither of these, an unaudited statement for the fiscal year end 2019 will be acceptable. For nonprofit with gaming income, gross revenue will exclude payment of prizes and expenses. For those nonprofits serving areas outside of Juneau, gross revenue is based on their gross revenue for programs in Juneau.
- (j) **Grant Application Period.** The initial grant application period shall be completed within a time period defined by the Manager and Grant Administrator, but no later than thirty days following adoption of this ordinance. If after the initial grant application period there is still funding available, the Manager may direct the Grant Administrator to reopen the application period for a first come first served basis.
- (k) **Initial Priority.** All applications will be reviewed after the application period (not first come first served). The Manager is authorized to direct the Grant Administrator to proportionally allocate available funding if demand is greater than funding available. Any unallocated funds will be returned to CBJ by December 1, 2020, which are intended to be reprogrammed.

Section 5. Effective Date. This ordinance shall become effective upon adoption. However, Section 2 of this ordinance is conditioned upon the City and Borough of Juneau receiving CARES Act funding from the State of Alaska.

Adopted this ____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk