



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor

Meeting Agenda

Thursday, August 6, 2020

3:00 p.m.

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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	Ms. Thomas
3:01 p.m.	Approval of Agenda	Ms. Thomas
3:02 p.m.	Approval of Minutes	Open
3:05 p.m.	Education & Childcare	Ms. Martinson
3:25 p.m.	Role of Task Force with Legislation Adopted	Ms. Thomas
3:30 p.m.	Summary Update Report of Significant Action Items and Recommendations to Assembly	Open
3:40 p.m.	Open Legislative Items CARES Act: <ul style="list-style-type: none"> • PPE Grant Program • Juneau Artworks • Phase 2 of Nonprofit Grants 	Ms. MacVay Mr. Mertz Ms. Thomas
3:55 p.m.	Action Items & Fact-Finding Reports Stemming from Public Comment Matrix	Ms. MacVay
4:10 p.m.	Strategic Initiatives Action Items & Fact-Finding Group Reports	Ms. Bell
4:20 p.m.	Good of the Order	Ms. Thomas
4:30 p.m.	Adjourn	



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DRAFT Meeting Minutes from July 30, 2020

Call to Order

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

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

Task Force Members Absent: Laura Martinson

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

CBJ Assembly Members Present: Loren Jones

Special Guest Speakers: Government and Community Relations for Holland America Group (HAG), Kirby Day; Government Affairs Officer for Cruise Lines International Association (CLIA), Mike Tibbles; and Executive Director at Juneau Economic Development Council (JEDC), Brian Holst;

Approval of Agenda

The agenda was approved with no changes.

Approval of Minutes

MOTION: by Mr. Botelho to adopt the Economic Stabilization Task Force minutes from the July 16 meeting. Mr. Forst seconded the motion.

Hearing no objections, the motion was approved.

2021 Cruise Season Planning

Mr. Mertz introduced guest speakers, Mr. Kirby Day, Government and Community Relations Officer for HAG, and Mr. Mike Tibbles, Government Affairs Officer for CLIA, to speak about the cruise industry in Southeast Alaska and what to anticipate in the 2021 cruise season.

Mr. Tibbles began by providing background information on the cruise industry happenings in Juneau since the pandemic affected the industry. On June 19, the cruise industry agreed to a voluntary

suspension of all operations until September 15, followed by an extension to the No Sail Order by the Centers for Disease Control and Prevention (CDC), which was due to expire on July 24. To date, this order has been extended and is due to expire on September 30. Some individual cruise lines in the United States have announced suspensions longer than CLIA and CDC suspensions. Norwegian Cruise Line has suspended sailings through October and Princess Cruises has suspended sailings through December. Cruise lines are working diligently with health professionals on new protocols for operating in this COVID-19 environment. Carnival Cruise Line and the World Travel and Tourism Council (WTTC) have collaborated and held a summit on July 28 that highlighted insights from leading global scientists and health experts, and saw over 17,000 people registered to attend. Topics included the epidemiology of COVID-19, transmission, testing, and operating within this environment. Norwegian Cruise Line and Royal Caribbean have established a Healthy Seas Blue Ribbon Panel with health experts providing council for developing new health protocols.

Mr. Tibbles continued to add that in countries outside the United States, there are countries making good progress in addressing the pandemic, which assists the cruise lines ability to work with local governments and create Return to Service Plans. On Monday, July 27, the European Union released a new plan developed by the European Maritime Safety Agency and the European Center for Disease Control and Prevention. This new plan establishes a set of guidelines that European countries can use to develop protocols for the resumption of cruise line operations. On Friday, July 24, the first cruise departed out of Hamburg in Germany – a 3-day cruise that returned to port and was a successful operation. Greece plans to open six ports to cruise operations soon. River cruising in various countries are also starting to open up. Mr. Tibbles stated that in Alaska, we have the benefit of watching cruise operations around the world, learn from them, and work with our local communities to ensure people are comfortable with the prevention and response plans.

Mr. Day stated that on a local level in Juneau, he is speaking with many business and tour operators who have been devastated by this pandemic. He is encouraging businesses to think ahead and expect to stretch their resources to the 2022 tourism season. The German ship that sailed on July 24 was a 2,900-passenger ship with only 1,200 people on-board. If this level of reduced capacity on ships is to become a new way of operating, businesses need to be prepared for that. He is finding that many business owners do not understand that the 2021 activity will not be as we are accustomed to in recent years. Mr. Day is working with Travel Juneau and the Juneau Chamber of Commerce on a Safe City Program that will tie into the Tourism Best Management Practices (TBMP) to develop protocols.

Mr. Day expressed appreciation for how CBJ Docks and Harbors assisted tour operators by reducing annual permit fees to \$5 for vehicle and boat operators and additional reduced fees for vendor operators on the dock.

Mr. Botelho stated that Holland America Line appears to be retiring at least one ship that currently sails to Alaska, and Carnival Cruise Line has indicated they are retiring ships, but have not stated which ships. He asked if we know how these combined retirements will affect the number of ships or visits operating in Alaska.

Mr. Day replied that Holland America Group is still evaluating that question, but we can reasonably expect there will be fewer ships or ships will be at a new minimum level of passengers, which will translate into far less than the 1.5 million-cruise ship passengers anticipated for the 2021 cruise season in Juneau.

Mr. Tibble replied that he does not feel there is much of an impact due to the retirements. One of the ships retired have already moved out of the market and the other retirement was a smaller ship. The projections for 2021 had already taken the retirements into account. However, there is not a lot of confidence in the sailing schedule at this point, due to factors outside our control in the United States and in Canada.

Mr. Botelho stated the real question is not the number of vessels available, but the number of berths available and how social distancing measures will affect the passenger capacity.

Mr. Forst shared that many businesses in Juneau are resigned to the probability that tourism will be down in the 500 thousand-tourist range for the 2021 season. He asked if that is a reasonable amount to expect. Mr. Tibbles replied that he has learned not to make predictions at this point, as there are too many unknowns with the U.S. and Canadian Governments. He added that currently, there is progress being made with health panels, and information will be available to the public in the next month. When this information is released, it will give cruise industries and cities of ports a better idea of how next year's market will be impacted.

Mr. Forst asked if cruise ships will consider extending their port call times to accommodate all the social distancing measures being taken, which delay processes everywhere. Mr. Tibble replied that he agrees there will be extended timelines that need to be accommodated. For example, the time it takes to turn a ship on the front and back ends will also be extended due to the extra screening, cleaning of baggage, and other safety protocols. Somehow, everything has to be worked into the current schedules. Mr. Forst advocated for extending 7-day cruises to Alaska into 9-day cruises, so as not to shorten the guest experience.

Ms. Thomas asked if protocol has been established for testing. Mr. Tibble replied that item is still under discussion and they have not landed on a policy yet. CLIA will have an overall health policy on pre-boarding requirements.

Ms. Thomas asked if there is discussion around working with different cities on testing while passengers are in town. Mr. Tibble replied that the handling of port calls are challenging and still under discussion.

Mr. Day added that up until today, some cruise lines are still trying to get their crewmembers home due to delays caused by closed international borders. Planning and liaising close to communities is a top priority but some cruise lines are still working on the initial emergency created by canceling the cruise season.

Mr. Tibble shared that only recently were they able to transport crew members home from Hawaii, after

being stuck at sea for 3 weeks because crew were not allowed on any form of public transportation. This included flights and taxis, even though all crew tested negative for COVID-19. The industry had to charter 10 commercial jets to fly people to their various homes across the world.

Mr. Koelsch asked if anyone has an estimate of how many workers in Juneau have been furloughed or laid off from the cruise line industries. Mr. Day replied that he would estimate close to 1,000 minimum. He added that companies who usually hire 300 staff have only hired 3 staff this season.

Mr. Forst asked how many employees have been laid off or not re-hired at Holland America Group, which serves Holland America Line, Princess Cruises, and Seabourn, in Juneau. Mr. Day replied that their motor coach company usually hires 125 staff and they currently have three staff.

Mr. Botelho asked if businesses are working to accommodate 500 thousand-tourists for the 2021 cruise season, and it turns out we should expect 700 thousand-passengers instead, what time-frame would businesses need to know this to accommodate the ordering of inventory and how late can this be delayed. Mr. Forst replied that most businesses are already sitting on hundreds of thousands of dollars of inventory from this year, so businesses can respond in just a moment's notice, from his perspective on the retail side.

Mr. Mertz asked that assuming there is no moratorium or adjustments to the Jones Act allowing ships to pass over Canada, at what point do CDC No Sail Order extensions start to affect planning for the 2021 cruise season and the ability for ships to sail in May.

Mr. Tibble replied that since so many crew members have returned home, they need enough time to return them to the ship. Additionally, they will need to determine the necessary crew levels due to social distancing measures. He stated that even with suspensions moving into December, that gives the industry time, but he hopes to have real material progress and meaningful dialogue with government agencies fairly soon. He hopes that by early in 2021 they have enough confidence that things are moving in the right direction so they can continue to go forward. In Canada, the Association of Canadian Port Authorities is making progress on a plan. The Alaska cruise industry also relies on the opinion of the Chief Medical Officer in Canada, and provinces are being given a lot of deference right now.

Mr. Tibble shared that the CDC has initiated a 60-day public comment period that ends September 24. The current No Sail Order is set to end on September 30. He wonders if they will have time to absorb comments and come to a decision by September 30 and would not be surprised to see this date extended further.

Mr. Mertz asked how the cancelation of the Terminal 46 Project in Seattle would affect future growth in the industry. He asked if this changes the underlying equation for the number of cruise ship passengers Juneau can expect in the future. Mr. Tibble replied that he has not carefully analyzed this question and wanted to think about it. He continued to state that in Juneau, docks are full every day of the week. There is discussion of a dock in Anchorage that would potentially equal a net neutral in the number of

ships. He added that when considering other Southeast Alaskan ports, there is not a lot of additional availability. Perhaps additional weekend departures are an option and most people are in favor of this.

Ms. Bell stated that this information is sobering and the need for implementing social distancing in tour transportation will further suppress the economic activity, employment, and the tax base, which underscores the tiers of complexity in this situation.

Mr. Day stated that the ray of light in all of this is that Alaska has the opportunity to watch and learn how other cruise operations in the world are adjusting and gain some vision of how this will affect us and how we can adjust strategically.

Strategic Initiatives: Education/Childcare

Mr. Mertz thanked Ms. Cosgrove, Incident Commander of the EOC, for being here to discuss facility availability for increased childcare capacity in Juneau. He asked Mr. Botelho and Mr. Koelsch to give an overview of the topic they have been working on, adding that Ms. Martinson has also worked hard on this topic but cannot be here today.

Mr. Botelho updated the Task Force on the school district's blended schedule and various risk levels of operation. At a Yellow Risk Level, middle and high school students will attend two days a week and participate in virtual school three days a week, while elementary students will attend five half-days a week. At an Orange Risk Level, all students will attend school virtually 100% of the time. The EOC is assessing the risk level of operation at the start of the school year due to the uptick of cases in Juneau.

Mr. Botelho continued by stating the school district has conducted a survey that members of the Task Force assisted in drafting. Through this survey, they have identified thousands of students in the K-12 system who will need childcare, but the number may be higher. The school district currently has 4,700 students enrolled. Many students needing special education classes will attend school full time at the Yellow Risk Level. The school district and members of the Task Force are researching strategies to deal with the childcare need.

Mr. Botelho said the homeschool programs are growing. Homebridge, a homeschool program offered through the school district, formerly had 30 enrollees and now has over 100 enrollees as it continues to grow. This does not account for the other private homeschool groups in Juneau. The Juneau Chamber of Commerce is conducting a survey among businesses that considers the possibility of employers offering on-site childcare.

Mr. Koelsch stated that he has been gathering many facts and is continually discovering how large this problem is. However, he is still trying to figure out how to rectify the problem. He appreciates the work Ms. Cosgrove has done on researching facilities that may be used to assist in solving this problem.

Ms. Cosgrove began by stating that the need is for some level of childcare for school-age children. This makes identifying alternative childcare facilities easier, as there are less requirements than those in

place for pre-k childcare. The CBJ facility that can most easily be adapted is Mount Jumbo Gym. Mount Jumbo Gym is currently set up for quarantine and isolation and has some maintenance issues that need correction but it is a manageable potential solution. Another possible solution would be to remove the ice from Treadwell Arena and use that facility. Libraries could also be used if they were closed or their hours modified. Centennial Hall is designated for quarantine and isolation.

Ms. Cosgrove continued to speak about existing school district facilities, stating expansion into their gyms could be a possibility. Private facilities that are a potential option could include Diamond Field House, or the ground floor of the Department of Labor Building, if it is still vacant. These options depend heavily on additional funding.

Ms. Cosgrove added that if the Assembly is willing to fund resources to provide childcare to school-age children, staff will need to be designated to work on the situation and standing something up in two-weeks is not realistic.

Mr. Mertz asked if Mr. Koelsch and Mr. Botelho are thinking about coming to the Task Force with a recommendation for the Assembly. Mr. Koelsch replied that the problem is so large, a realistic recommendation will take some time to design.

Mr. Mertz asked about utilizing churches to assist with the childcare dilemma. Ms. Cosgrove replied that churches could be an option, depending on the age of the children and the intention for the space. A modified school program is staff and space intensive but might be a possibility. She recalls that Chapel by the Lake was once set up as a school.

Ms. Peters asked if there is staffing set up to run the facilities and what that will look like. Ms. Cosgrove replied that currently, she does not have direction from the Assembly to work on this issue. She agreed that staffing is a logistical challenge, and there are different types of staffing to consider. For example, are we looking for a minimum bar of staffing, to provide a safe and entertaining environment, or a higher bar of staffing to provide a safe, entertaining, and educational environment?

Ms. Peters asked if a childcare situation like this would be free of charge or if parents will need to pay. Ms. Cosgrove replied that the Economic Stabilization Task Force would provide the recommendation to the Assembly and the Assembly would direct the Manager on whether to pursue the recommendation.

Ms. MacVay stated that given the profound levels of complexity of the situation, has there been discussion on using funds to allow employees to stay at home with their children. Mr. Koelsch replied that there has been discussion around that.

Ms. Bell said that even though the Task Force may feel like it does not have enough information, this is an urgent and fluid matter, and we may need a preliminary recommendation to the Assembly to put things in motion while continuing our fact-finding.

Ms. Cosgrove added that the EOC has been grappling with the various risk alert levels and what to recommend to the Assembly. The challenge is that this is all very fluid. She asked the Task Force to consider trying to run a business where you have a customer base in week one that disappears or changes in week two. Likewise, running an intermittent childcare program is not impossible but is extremely complex.

Public Comment Matrix

Ms. MacVay stated she has spent time re-reading comment letters and has pulled out some additional common themes. There is a lot of focus and concern on business survival in 2021 and easing the startup of businesses going into the tourist season. There are also many comments requesting property tax relief and ensuring the relief is passed on to tenants. Other comments included suggestions to remove permitting barriers and reduce fees to facilitate construction, cleaning up Downtown Juneau to promote safety, and suggestions for promoting downtown businesses, such as opening up designated parking spaces for curbside pickup. Ms. MacVay opened the topic up for discussion amongst the Task Force members.

Ms. Thomas asked if anyone is familiar with assistance programs for the commercial fishing industry, as they are an important part of our community. Ms. MacVay replied that the State AK CARES Grant has expanded to include this industry. Mr. Mertz also replied that the CBJ Business Stabilization Grant is available to them in Phases 1 and 2.

Ms. Thomas stated there is a fact-finding group whose task is to look into the safety of downtown and downtown cleanup. This group will address some of this topic in the near future.

Mr. Forst recommended having a sales tax free day in conjunction with a Gallery Walk or First Friday to motivate local spending as we move into the winter months. Ms. Thomas replied that this would be looked at in the fact-finding group along with curbside pickup.

Ms. MacVay added that enhancing local cold food storage is an idea suggested which seems to have a lot of support. Mr. Mertz replied that the Southeast Alaska Watershed Coalition proposed this in their letter to the Task Force at the end of June.

There was discussion around CBJ permitting and fee waivers as a way to provide relief to the construction industry. Mr. Mertz will do some preliminary fact-finding and reach out to CDD on the topic.

Mr. Mertz asked the Task Force for their thoughts on approaching the 2021 tourism season regarding reducing or deferring CBJ fees. Mr. Forst replied that he has heard discussion around fees being deferred to the end of the 2021 season already, so he feels that city officials are working on the issue.

Mr. Mertz moved on to property taxes and stated there is not an avenue through the CARES Act at this time for addressing this. Ms. Thomas agreed and said she is not sure the Task Force can add more on the

topic as the Assembly is already grabbling with the matter. However, she suggested the Task Force keep an eye on funding or opportunities that could help. Ms. MacVay stated that when moratoriums on evictions lift, the situation could become grim moving into the fall and winter. She advocated for identifying any incentive to keep businesses in their spaces.

Ms. MacVay asked if we could use CARES Act for training resources so that when jobs come online Juneau residents are able to fill them. Mr. Rogers replied that we could use CARES Act money to employ individuals who are suffering because of the COVID-19 pandemic. Ms. MacVay suggested an assessment of jobs needs that might be available and the training needs.

Ms. Bell added that some of the renewable energy efforts are coordinated with the building industry, and she can suggest people who fit into both areas who might come and speak to the Task Force on the topic.

Update on Adopted Programs

Business Stabilization Grants Phase 1 Progress Report

Mr. Holst began his progress report by stating that Phase 1 is nearing an end. Currently, 70% of applicants have been approved and JEDC continues to work through 68 additional applications. He added that based on his experience with the program, changes in the Phase 2 portion of the grant will be very helpful to businesses if the Assembly adopts them.

Mr. Mertz stated if there 216 applicants to date and the average award is \$11 thousand, then that equals approximately \$2.3 million encumbered for Phase 1. If this number represents one-third of expenses, then we are close to \$7 million in already identified eligible expenses for both phases of the grant.

Mr. Holst agreed with Mr. Mertz but added there are important changes that if approved by the Assembly, will move that number further upward.

1. The very small grants awarded to businesses will be larger in Phase 2.
2. The CBJ Business Loan Program was originally ineligible for inclusion in the debt calculation for Phase 1, but may be included in Phase 2.
3. The period for eligible expenses has been expanded.

Mr. Holst stated that projections show the demand will far exceed the funding. He added that if Phase 1 had operated under the new rules for Phase 2, the average grant award of \$11 thousand would have actually been \$16 thousand.

Jobs / Trails Program

Mr. Botelho shared that the National Public Radio (NPR) has picked up the KTOO article on the Conservation Corps program written a few weeks ago, and we have a national following on the topic.

Eaglecrest has been able to structure and resurface 800 feet of the existing bike trail. They have completed 810 feet of a new beginner bike trail and have another 75 feet before completion. Work also continues on the High Alpine Pedestrian Trail Project with about 350 feet of that constructed. Parks and Recreation crews have largely performed maintenance work removing debris from a recent mudslide on Perseverance Trail. Repairs are happening on the Rainforest Trail and Eagle Harbor Trail near Spaulding Meadows. Work is also being done on at least one public use cabin.

Rental Housing Assistance

Ms. MacVay spoke with Ms. Tamara Rowcroft recently about the Rental Housing Assistance Program being administered by the Alaska Housing Development Corporation (AHDC). Interest is increasing but they have been busy administering another assistance program, a Rental and Homeowner Lottery. The Lottery was able to award all 463 applicants, and 35% of those applicants were homeowners. This has sparked dialogue because CBJ's response was much less, and concerns around the marketing of the program are being addressed.

Ms. MacVay expressed concern that the \$200 thousand in the program will not suffice when unemployment ends on July 31. A disconnect between some policy makers and administrators concerning the mortgage deferment program is an area of special concern. The intent of the program was to structure the balloon payment at the end of the mortgage, but instead, some balloon payments are coming due at the end of the deferment period, which is putting unexpected stress on homeowners. She and Ms. Rowcroft are trying to get information out to borrowers now.

Update on New Legislation

Nonprofit Grant

Ms. Thomas updated the Task Force on the status of the Nonprofit Sustainability Grant as it moves through the Assembly process.

1. Discussion in the Assembly Finance Committee on July 8
2. Introduction at the Regular Assembly on July 20
3. Further discussion at the Assembly Finance Committee on July 23
4. Scheduled for Public Hearing at the Regular Assembly on August 3

Ms. Thomas shared that the Assembly is actively conversing on provisions in the grant ordinance. Co-chairs Ms. Thomas and Mr. Mertz supplied Assembly member Mr. Loren Jones a response to a list of questions he had regarding the ordinance. This response is included in the Task Force's packets.

Juneau ArtWorks Grant

Mr. Mertz shared that Assembly member Ms. Michele Hale is working on this ordinance with the City Attorney. The Juneau ArtWorks Grant ordinance is expected to be introduced at the August 3 Regular Assembly meeting. Mr. Mertz has not seen the ordinance; however, he has been told that it closely

aligns with the Task Force's recommendations, and is for \$500 thousand.

Business Grant Phase 2 / 3

Mr. Mertz introduced Draft Ordinance 2019-06(AG)(d). An ordinance appropriating up to \$8.5 million to the Manager for Phases 2 and 3 of a COVID-19 Business Sustainability Grant Program, with funding provided by the CARES Act Special Revenue Fund. Mr. Mertz went through the recommended changes in the ordinance for the Task Force.

1. Section 4, Subsection (f) has additional language that states, "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." This added language does not include businesses who received a CBJ loan because the loans were not CARES Act money.

2. Section 4, Subsections (i)(2) was changed to require businesses who received funding in Phase 1 to reapply for Phase 2.

3. Section 4, Subsection (j) has additional language that states, "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.

MOTION: by Ms. Bell to adopt the revisions reflected in Ordinance 2019-06(AG)(d), recognizing they reflect input from Assembly members and others through the public process. Ms. MacVay seconded the motion.

Hearing no objections, the motion was approved.

PPE Grant

Ms. MacVay updated the Task Force on Draft Ordinance 2020-37, an ordinance appropriating up to \$500 thousand to the Manager for a COVID-19 Business Safety Program, with funding provided by the CARES Act Special Revenue Fund. This grant goes before the Assembly Finance Committee on August 5 for a second time. There is an added \$1 thousand incentive in the grant for businesses to require and continue to require face coverings. The other grant is for the reimbursement of personal protective equipment (PPE) in amounts up to \$5 thousand.

There was Task Force discussion around why businesses are receiving an incentive in the draft ordinance to require masks when the CBJ Assembly mandated masks recently, enacting a fine on people that do not comply. It was thought that the incentive was developed prior to the mask mandate, and this piece of the ordinance is out of date and needs to be removed.

Ms. Thomas stated that many businesses are spending more than \$5 thousand in safety protocols and PPE, so the \$1 thousand bonus could help make up that difference.

MOTION: by Mr. Forst to recommend the Assembly remove Section 4, Subsection (i), Part B: Face Covering Incentive Grant, as the CBJ has a mask mandate and this may no longer be necessary. Mr. Koelsch seconded the motion.

Hearing no objections, the motion was approved.

Strategic Initiatives Action Items

Homelessness

Deferred to the next meeting due to time.

Workforce Development

Deferred to the next meeting due to time.

Good of the Order

Ms. Thomas wanted to let the Task Force know that Juneau Urgent Care has a COVID-19 testing option for \$275 with test results in 24 hours. This testing option is not billed through insurance.

Mr. Mertz shared that the paradigm around testing could be changing soon. The FDA has made some changes on what they will allow for rapid testing and this is dovetailing with work that MIT has been doing. He hopes that in the next month or two we could see some inexpensive testing come available that will change things.

Mr. Mertz also shared that we are likely to see additional funding from Congress and it is possible that municipal assistance will be part of that. He hopes another round of assistance will have longer-term horizons and the ability for broader use. He suggested the Task Force think about the best uses for any funding that might come available.

Adjournment

At 5:00 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

Economic Stability Task Force K-12 Pandemic Childcare Recommendations

Driven by the Covid-19 pandemic, Juneau's schools will be operating on a schedule in which pupils attend classes only part-time. To mitigate the economic impacts of this schedule on working parents and employers, the Economic Stability Task Force (ESTF) urges the immediate development of adequate childcare alternatives that would remain in place for the duration of the pandemic. The recommendations below are based on information gathered from stakeholders in the community including The Juneau School District (JSD), parents, The Juneau School Board, Southeast Alaska Association for the Education of Young Children (AEYC), The Juneau Chamber of Commerce, and Tlingit & Haida Central Council.

Primary Recommendation:

Appropriate CARES Act funds to support a short-term K-12 childcare coordinator position. Estimated funding for six months \$60,000.

Under the purview of the Childcare Coordinator through CBJ:

- A. Create a childcare program for school aged children for the duration of the pandemic.**
- B. Consider all locations to safely and efficiently distance students, while maintaining their cohort groups from JSD attendance.**
- C. Recruit childcare staff from the current labor force including substitute teachers, retired teachers, teachers in training, and childcare professionals.**
- D. Provide financial and implementational support to employers who choose to offer onsite childcare.**
- E. Provide support for families forming small "bubbles" of students to share the delivery of care.**

Current Environment

The coming school year is scheduled to begin August 24th. The Juneau School District (JSD) has recently announced the school year will begin with entirely distance delivery for its 4,700 students. Of major economic concern is the impact on businesses and employees relative to available childcare while students are not receiving in-person instruction. The loss of working parents from Juneau's labor force would present huge barriers to economic recovery from the crisis created by the COVID pandemic.

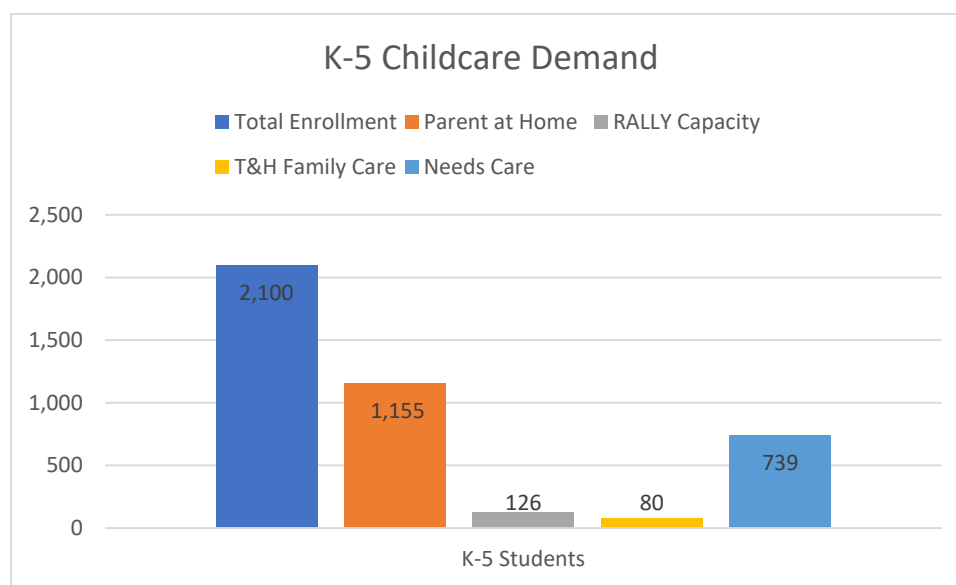
JSD recently conducted a survey of school parents and received 1,300 responses, representing 2,500 students. Based on the responses to this survey, approximately 66% of Juneau families report that reduced or eliminated in-person instruction for students this fall will create a hardship for their family. Over 95% of survey respondents have at least one member of their household in Juneau's workforce, and must continue to earn enough income to support their family needs, and 30% of parents report that it is likely or highly likely that an adult in their household will

Economic Stability Task Force K-12 Pandemic Childcare Recommendations

have to quit their jobs to provide care for their children. Meanwhile, 36% report that it is likely or highly likely that they will leave children home alone, and 55% of respondents reported that a parent will stay home to deliver instruction.

The current RALLY program is being expanded as space allows, to a capacity of 126 children districtwide. Of the 126, JSD estimates 84 of the spaces will be filled by teacher's children, leaving 42 spaces available for childcare onsite divided between three different school locations. As RALLY is a program operated through the JSD, these recommendations do not address the program's specific needs, *however the ESTF strongly urges the RALLY program to expand capacity while JSD is operating distance only delivery, as this allows more space for the program to operate.*

The Juneau Chamber of Commerce is currently conducting a survey to assess the demand for supporting on-site childcare for employees. 36% of preliminary respondents expressed interest in providing on-site childcare with financial and structural support. Additionally, businesses may currently deduct childcare expenses as a business expense and apply for a tax credit of 25% of childcare expenses up to \$150,000 (IRS 8882), however it is important to consider this tax credit it not helpful for the immediate cashflows of operations which have already been greatly impacted by the pandemic.



*Data based on 1,300 responses from JSD parents, representing 53% of enrolled students.

Economic Stability Task Force K-12 Pandemic Childcare Recommendations

Primary and Immediate Recommendation:

Appropriate CARES Act funds to support a short-term K-12 childcare coordinator position to facilitate and to oversee the creation and implementation of childcare options for school aged children for the duration of the pandemic and to support businesses offering flex schedules and remote working options for employees, as well as support for families forming small “bubbles” of students to share the delivery of care.

Operated by: *City Entity or Non-profit Organization*
Source of funding: *CARES Act*
Funding needed: *\$60,000 (Salaried Position for 6 months)*

Childcare Coordinator Implementation Recommendations:

1. Create a childcare program for school aged children for the duration of the pandemic. Priority should be given to the youngest children first. Providing care for K-5 aged children is imperative to allow parents to remain in the workforce, and to maximize structured, in-person development. Given that students are already receiving distance education through JSD, the intent of this program should be to safely care for children during their parent’s workday.
 - a. Of the 4,700 students in the JSD – approximately 2,100 are in the K-5 age range. Based on survey response data, RALLY capacity, and potential Tlingit & Haida supported family care, a minimum of 739 pupils will need childcare in order for their parents to maintain their income.
 - b. Of the 2,100 K-5 students, 500 are enrolled as having special needs and have individual education plans (IEP’s), these pupils will be prioritized for full-time in person instruction, which takes place when JSD is operating under yellow or green risk conditions.

Low Risk <i>Minimal to no Community Transmission</i>	Medium Risk <i>Some Community Spread</i>	High Risk <i>Widespread Community Transmission</i>
*Minimal to no level of community transmission in the school’s behavioral health region and/or town or municipality.	*Low to moderate level of community transmission in the school’s behavioral health region and/or town or municipality.	*High level of community transmission: Outbreaks or increases in cases and recent laboratory-confirmed cases of COVID-19 in the school’s behavioral health region and/or town or municipality.
Wednesday will be used in the beginning of the year for staff preparation time, professional learning, and disinfecting as we establish our blended learning model.	Wednesday will be home learning (e learning) all day for all students to provide staff preparation time, professional learning and disinfecting.	
Given sustained low risk status, there will be an increase in face to face learning time.		

- c. As JSD operates under the current protocol of 100% distance delivery during “orange” risk conditions, childcare should be provided for a minimum of 740

Economic Stability Task Force

K-12 Pandemic Childcare Recommendations

students. Further consideration should be given to this demand for care, as these estimates are based on one survey during rapidly changing market conditions.

- d. As the childcare coordinator begins to design this program, the ESTF will work closely alongside to define the market in terms of costs, funding, and demand.
2. Consider all locations to safely and efficiently distance students, while maintaining their cohort groups from JSD attendance. Potential spaces include city facilities, faith-based organization locations, and privately owned venues. Locations which have been previously licensed for childcare can obtain licensing in the most streamlined manner. Fact finding research has identified the following potential locations for short term childcare facilities:
 - Public Libraries
 - The Dimond Park Field House
 - Mt. Jumbo School
 - Centennial Hall (If emergency tents already in CBJ's possession can be used for quarantine sites)
 - Church gathering spaces
 - The former Wal-Mart building
 - Available UAS spaces
3. Recruit childcare staff from the current labor force including substitute teachers, retired teachers, teachers in training, and childcare professionals. Additionally, a training program should be created *immediately* using CARES Act funds to increase the potential labor market.
4. Provide financial and implementational support to employers who choose to offer onsite childcare. Based on the DHSS childcare cost assessment, a subsidy of \$350 per-month, per-child should be created for employers who offer on-site or off-site informal child supervision with connection to school instruction assignments. Either may be in association with other employers. Based on JSD survey responses, the potential demand for onsite employer provided care would accommodate approximately 120 children districtwide.

<i>Operated by:</i>	<i>Private Employers//Childcare Coordinator</i>
<i>Capacity:</i>	<i>120 students</i>
<i>Facilities:</i>	<i>private donated</i>
<i>Source of funding:</i>	<i>CARES</i>
<i>Funding needed:</i>	<i>\$630,000 (300 students x \$350 per month x 6 months)</i>

5. Based on JSD survey responses, interest in family pods to provide “bubbles” of care could potentially serve up to 200 K-5 aged pupils. Structural, curriculum, and organizational support for these families should be provided though the childcare coordinator.



To: Rorie Watt, CBJ Manager
CC: Jeff Rogers, CBJ Finance Director
 Mila Cosgrove, CBJ Deputy Manager
From: Brian Holst, JEDC Executive Director
Date: Wednesday, August 5, 2020
Re: Update on COVID19 CBJ Sustainable Business Grant Program per CBJ Ordinance 2019-06 (AC)(b)(am)

Reporting Period: Wednesday, July 29 to Tuesday, August 4

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 first week of August.

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 226 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 220 applications to date.

Covid-19 Business Sustainability Grant Weekly Report: 8/04/20	Applications	Dollars	Full-Time Jobs	Part-Time Jobs
Total	226		856	696
Post-Approval	158	\$ 1,717,041	557	510
Money Sent	118	\$ 1,344,515	376	384
Documents Sent	21	\$ 154,540	37	41
Eligibility Report Sent	11	\$ 91,262	112	22
Approved	8	\$ 126,723	32	63
Pre-Approval	67		299	186
Final Review	34	\$ 189,505	186	100
Initial Review	33		113	86
Not Active (Duplicate, Disqualified, Withdrawn)	1			

- The 158 businesses with approved grants have 510 part-time and 557 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.
- On Monday, August 3, the Assembly passed an Ordinance to continue the program with additional resources. A new application will be available on Monday, August 10.

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.

Public Comment Summary

August 5, 2020

A	B	C	D	E	F	G
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		30	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	3	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		85	84	33	24	10

Comments after July 29th

Topic	Subtopic	Number of Comments	Topic Reviewed by ESTF	ESTF workgroup formed	Presented to Assembly	Referred
- Business Assistance	Grant	1	0	0	0	0
Business Assistance Total		1	0	0	0	0
Grand Total		1	0	0	0	0

Comment is about consideration for socially and economically disadvantaged businesses.