



# Economic Stabilization Task Force

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Appointed by the City & Borough of Juneau's Mayor  
Meeting Minutes from August 13, 2020

## Call to Order

The Economic Stabilization Task Force meeting was called to order at 3:00 p.m. by Mr. Mertz.

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

Task Force Members Absent: Susan Bell

Staff Present: CBJ Finance Director, Jeff Rogers; City Manager, Rorie Watt; and CBJ Emergency Operations Center Planning Chief, Robert Barr

CBJ Assembly Members Present: Mayor Beth Weldon and Loren Jones

Special Guest Speakers: Juneau Economic Development Council (JEDC) Executive Director, Brian Holst; and UAS Interim Chancellor, Karen Carey

## Approval of Agenda

The agenda was revised to move Mr. Watt's presentation after Ms. Belton's CCTHITA COVID activities update.

## Approval of Minutes

**MOTION:** by Mr. Forst to adopt the Economic Stabilization Task Force minutes from the August 6, 2020 meeting. Mr. Botelho seconded the motion.

***Hearing no objections, the motion was approved.***

## CCTHITA COVID Activities Update

Ms. Belton shared a document detailing the CCTHITA's 2019 tribal enrollment for community councils, in order to give the committee an idea of tribal citizens' current locations. In Juneau, there are 1,863 tribally enrolled citizens under the age of 18, and 5,500 enrolled citizens who are 18 and older. There are now over 32,000 tribally enrolled citizens across all of CCTHITA's community councils.

Ms. Belton stated that CCTHITA operates almost exclusively through grants. Services funded by grants are provided to tribally enrolled citizens who are within CCTHITA's service area. Most of CCTHITA's programs are focused on social services and employment.

Ms. Belton provided an overview of the funding that CCTHITA has received and what programs and services have been implemented to address COVID concerns.

- Coronavirus Relief Fund and Department of Health and Social Services to fund a meal delivery program for elders.
- \$868,000 received from the Child Care Development Fund (CCDF).
- CARES Act Business Assistance Program to help businesses impacted by COVID to pay business-related expenses.
- Considering forming an assistance program to provide basic needs for people who have either lost their jobs or who have lost income due to unpaid leave.
- The Department of Health and Social Services has granted CCTHITA \$1.6 million.
- CCTHITA has received an additional \$1.2 million for the 477 program. The 477 program provides employment, training, and related services to eligible Alaska Native and/or American Indians who reside in CCTHITA's service area.
- \$1.5 million was received from US Housing and Urban Development via an Indian Community Development Block Grant.

Ms. Thomas asked Ms. Belton to expand on how CCTHITA's programs correspond to ESTF programs, and if Ms. Belton felt there was a need among tribal citizens for additional economic help that would allow parents to work and provide care for their children.

Ms. Belton responded that CCTHITA provides a range of services to enrolled citizens in CCTHITA's service area. Eligibility is a big component for beneficiaries of CCTHITA's programs. Depending upon the program, there can be restrictions on the area they live (e.g. tribally enrolled citizens living in Anchorage, Seattle, or San Francisco are outside of CCTHITA's service area and are not eligible to receive the same services as members who are within the service area), but there is funding in CCTHITA's treasury to cover some of their needs. A lot of CCTHITA's programs are also restricted by income; CCTHITA is helping those who have financial need for services. The extra \$868,000 from CCDF that CCTHITA received is being put toward families in need.

Mr. Mertz inquired if the transitional housing that is being funded with COVID-19 relief dollars was utilizing money from the Coronavirus Relief Fund.

Ms. Belton confirmed that funding for that project was coming from the Coronavirus Relief Fund.

Mr. Mertz asked if CCTHITA is making any efforts to encourage tribal citizen participation in the 2020 Census.

Ms. Belton responded that CCTHITA has coordinated an outreach effort and has supplied funding to other organizations who are already doing outreach. CCTHITA is also partnering with the Tlingit Haida Regional Housing Authority to encourage people to participate in the census.

## **Workforce Development – UAS Scholarships**

Mr. Watt shared that he and Mayor Weldon had a meeting with University of Alaska (UA) Interim President Pat Pitney. The discussion focused on the UA Board of Regents' motion to replace the analysis of merging the University of Alaska Southeast (UAS) with the University of Alaska Fairbanks with a much more productive analysis of administrative costs to the University. Ms. Pitney stated that she would be interested in looking at a partnership between CBJ and UA wherein CBJ would use CARES Act funding to provide scholarships for a workforce development program through UAS. A group of representatives from CBJ and UA convened for preliminary deliberations on this concept. Mr. Watt said he did not fully understand the scope of authority under the CARES Act, but thought there would be great potential in utilizing the funding in this way given that other states and authorities have been exploring similar uses of CARES Act funding.

Mayor Weldon echoed Mr. Watt's enthusiasm, saying that the ESTF would be the best group to move this concept forward. Something that would need to be considered is ensuring that scholarship applicants had been affected by COVID-19.

Mr. Mertz said that he was in the meeting that took place last week and had follow-up conversations with Interim Chancellor Carey and Michael Ciri from UAS. Utilizing the CARES Act funding in this way would make sense given current guidelines. A work group will be formed of Mr. Mertz, Ms. Thomas, Ms. Bell, and two or three UAS representatives selected by UAS Interim Chancellor Carey. Mr. Mertz asked Interim Chancellor Carey to speak more to the proposal.

Interim Chancellor Carey stated that UAS has a number of programs that would interest people in the community. UAS would be willing to reach out to people across the state to garner interest. The program would primarily be for people who want to retool their skills.

Mr. Botelho recommended approaching the Commissioner of Labor and Workforce Development to have a local representative assigned to the work group. There may be funding available that could be incorporated to maximize what can be done on this project. If this is successful, it could be used as a model project that could potentially be replicated in Anchorage and Fairbanks.

## **Testing Status**

Mr. Barr provided an update on CBJ's testing efforts. CBJ has submitted four purchase orders to four different vendors to acquire testing equipment. None of the vendors have committed to shipping dates as of yet; some of them have indicated that they would be able to deliver an analyzer by the end of the year. The testing that is currently done by CBJ is called PCR testing; the specimens are collected and then sent to Alaska state labs for testing. PCR testing is something that CBJ is looking at setting up locally.

Mr. Barr said that there is the potential for antigen-based testing in the future. Antigen-based testing would allow testing and processing without the use of an analyzer. Antigen testing is not as sensitive as PCR; it is also not as favorable because it takes longer to detect coronavirus. However, the advantages of antigen testing are that it is cheaper, and that people would be able to be tested more often even if the test takes a while to detect the coronavirus. After FDA approval is obtained, it would be easy for the company that produces these tests to manufacture millions of tests right away.

Mr. Watt added that the City Manager's Office sent a letter to Governor Dunleavy expressing CBJ's willingness to pilot antigen testing.

Mr. Mertz commented that there is still a lot of value in having the medical-grade PCR testing, but that antigen testing would be good to have in terms of convenience of distribution. Mr. Mertz asked Mr. Barr to speak more on the topic.

Mr. Barr confirmed that there is still value in PCR testing and that confirmatory tests on antigen-based tests would need to be done via PCR for those cases where people are asymptomatic.

Mr. Forst asked if the hospital is moving forward with a plan on where to put the testing equipment once it arrives and if this was something that can be done prior to equipment arrival.

Mr. Barr responded that this topic is being discussed during the weekly meetings he is currently attending at Bartlett Regional Hospital.

Mr. Koelsch asked if Mr. Barr dealt with the mining and seafood industries on a day-to-day basis and if those industries had been socially distancing after the COVID-19 outbreaks they had experienced.

Mr. Barr said that he engages with both the mining and seafood industries on a regular basis; they have been following protocols. Those industries will be interested in antigen testing if that becomes practice. One of the things that CBJ and the State are currently investigating is changing the airport test processing procedure. The State labs are not designed for high capacity, so they're proposing utilizing an out-of-state lab in Southern California to process tests; those labs are set up to process large sample sets and could potentially achieve much shorter turnaround times for testing results.

Mr. Watt noted that he has been communicating frequently with the cruise industry in an effort to figure out what the situation is going to be next spring and how to effectively communicate COVID-19 guidelines and expectations.

Mr. Mertz asked Mr. Barr if there is a frontrunner company out of the four to which CBJ sent purchase orders.

Mr. Barr responded that three machines are frontrunners and the fourth is the Cepheid machine. The Cepheid is a less viable option because the test kit supplies are so limited.

Mr. Botelho asked if test processing is prioritized, or if it was simply a matter of first tests in, first tests out in Juneau.

Mr. Barr responded that State labs can get through their testing load in a 24-hour time period and they process tests on a first in, first out basis. If they start to experience reagent or stopping shortages or anything that starts to delay their ability to process tests, that will likely trigger a prioritization system.

## **Update on Adopted Programs**

### *Business Stabilization Grants Phase 1-3 Progress Report*

Mr. Holst gave an update on the Business Stabilization grants available through the JEDC. An application for the CBJ Expanded Business Sustainability Grant allows participation for people who did not participate in the first round of funding. The funding for that grant allows up to \$99,000 per business.

The Small Business Express Grant is also open for businesses to apply. JEDC has had several small businesses apply to this grant, which allows up to \$5,000 in financial assistance. Mr. Holst said that there is an important application deadline coming up for these grants on August 31, 2020. If the number of applicants exceeds the funding available, JEDC will prorate the businesses; if the funds are not exceeded, JEDC will ask the City Manager for guidance on whether to extend the application deadline or give the remaining funds back to the City.

Mr. Forst asked if Mr. Holst thought the JEDC was adequately staffed to handle the workload of both the municipal grants and the administration of the AK CARES funding that they have received.

Mr. Holst responded that there are 28 new applications for Southeast Alaska under AK CARES. JEDC can process those within two to three days and is hoping for more applications. JEDC has been recruiting for positions that will help them handle the additional workload between the municipal grants and the AK CARES funding.

Ms. Martinson asked if applications would be processed and ready for disbursement on August 31, or if applications would not be processed until after August 31.

Mr. Holst responded that JEDC is processing applications as they come in. It typically takes a couple of weeks for people to get all of the paperwork they need, so anyone applying closer to the application deadline would not receive their disbursement until mid-September at the earliest.

Mr. Mertz asked Mr. Rogers to speak on the status of sending out letters to notify businesses in Juneau who had filed their taxes about the Expanded Business Sustainability Grant.

Mr. Rogers responded that he has been working with JEDC on an informational postcard with the main facts of the grant. Those will go in the mail early next week.

Mr. Mertz asked Mr. Holst if demand was starting to increase because of the additional funding available under phases 2-3 of the program.

Mr. Holst responded that he would have liked to see more applicants but is confident that the 229 businesses that have already applied will apply again. JEDC has had less than two dozen completely new applicants; JEDC is hoping that more applications will come in from commercial fishermen as they would likely qualify for the assistance.

### *Jobs / Trails Program*

Nothing new to report.

### *Rental Housing Assistance*

Nothing new to report.

### *Nonprofit Grant*

Ms. Thomas shared that City Attorney Rob Palmer will have a revision ready for the August 24<sup>th</sup> Assembly meeting to correct the grant contract so that if someone receives PPE or EIDL funds, they will not be disqualified from receiving CBJ nonprofit grant funds. Juneau Community Foundation (JCF) is preparing the grants for distribution to nonprofits that apply. They plan on advertising sometime after the August 24<sup>th</sup> Assembly meeting with an application deadline of September 25<sup>th</sup>. The Task Force also recommended that the Assembly consider the potential of \$3 million in additional funding for social service agencies to fund social service programs; this recommendation is on hold for now. The Alaska Community Foundation was allocated \$35 million from the State to distribute to nonprofits. JCF is expecting more information on that funding by early next week.

### **Update on New Legislation**

#### *Juneau ArtWorks Grant*

Nothing new to report.

### **Strategic Initiatives Action Items**

#### *Childcare*

Ms. Martinson shared that she and Mr. Botelho went over the childcare recommendations for the Assembly on Monday night. The Assembly gave the green light to allow the City to divert some staff to take a look at the childcare issue and develop a strategy to move forward.

Mr. Botelho said there was a lot of reticence on the part of the Assembly and the recommendation was watered down. The City Manager said they would look at it and bring back guidance. It was a split vote, 7-2 to proceed.

Ms. Thomas stated that the Task Force focused more on the economic impacts in the community and on the unavailability of care for children up through middle school for the workforce population. The Task Force's recommendation provided guidance to focus on a childcare coordinator position that would be able to pull recommendations together – someone who would have the time and resources to do so. Some Assembly members expressed that they felt the responsibility was being given to them. The intent, however, was to acquire better direction and potential resources.

Ms. Martinson said that part of the problem is the definition of the term “childcare” and what that encompasses. In her opinion, “childcare” is more than simply a childcare center; it also includes finding ways to care for children.

Ms. Thomas recommended that the Task Force provide more advanced notice to the Assembly, so they have time to discuss what is being presented at future meetings.

Mr. Mertz stated that in one of the early meetings, everyone acknowledged the difficulty of this situation and understood that time was short; nobody was expecting a solution to be implemented by the beginning of the school year.

#### *Strategies for Downtown Covid Related Issues*

Ms. Thomas shared that there are a number of local nonprofits that are directly engaged with homelessness and feeding people. Several of these entities have applied for programs that will help with homelessness issues over the next few months. As the Glory Hall prepares to move to a Valley location, CBJ is considering opportunities to develop infrastructure downtown that would return some of the services the Glory Hall provided to the area.

Mr. Rogers sent the group information on the cost of a sales tax holiday and outlined some of the pros and cons.

Mr. Koelsch asked if the City has responded to using CARES Act money or funding that is in the Sales Tax Fund or budget reserves to get the Glory Hall building project going.

Mr. Rogers responded that both Southeast Alaska Independent Living and the Glory Hall have been in regular communication with the City Manager about those projects. The Assembly has requested funding assistance for both of those projects; they will likely be up for consideration at the next Assembly Finance Committee meeting.

Mr. Rogers said that he and the City Manager have counseled that these projects do not qualify for CARES Act funds because neither of the projects would be completed until late into the 2021 calendar year; that cannot be described as necessary to respond to the current public health emergency. That is different than the consideration of buying a building that could be put into play for sheltering unsheltered populations fairly quickly. If CBJ could buy a facility and retrofit it quickly to be used during the public health emergency, that would be considered a CARES-eligible expense.

Mr. Rogers stated that the balance of the Sales Tax Fund and the General Fund are equivalently usable. The unrestricted fund balance (UFB) is a combination of those two balances; the Assembly can spend them both on all of the same items. Mr. Rogers reported that CBJ did better in FY20 than expected. The Committee received the news last week that next summer's cruise season is forecasted to be very tepid. If that forecast is accurate, there would be a significant shortfall at the end of FY21 and the beginning of FY22. The Assembly has concern for the need of those facilities, but it is a question of balancing how they spend limited funds.

Mr. Forst questioned the rationale behind purchasing a building to use for a service that other organizations already provide. Mr. Forst said that investing in organizations that are trained and already know how to meet those needs would be a better response. If the Glory Hall received the money they need, they could have a building up and running by next summer.

Mr. Rogers responded that in recent years, the City has been the sole provider of a low-barrier cold weather shelter. With the Glory Hall exiting downtown and continuing in a model that is more akin to

permanent supportive housing rather than an emergency shelter, the City recognizes that there is an unmet need.

#### *Workforce Development*

Nothing new to report.

#### **Good of the Order**

Ms. Belton said that CCTHITA kicked off their Back-to-School Backpack Program this week. Instead of purchasing school supplies, this year CCTHITA purchased 6,000 Chromebooks so that children at home will have the means to do their schoolwork.

Mr. Botelho suggested that once ESTF has launched all in-progress programs, the Task Force should consider winding down and begin thinking about generating a report that summarizes the work that the Task Force has been doing.

Ms. Peters inquired if a program existed for parents who cannot afford to pay their internet bills with the added expense of kids using Zoom for school this year.

Ms. Martinson responded that GCI and the Juneau School District are working together to help families on an as-needed basis. Ms. Martinson will follow up with the Superintendent to acquire further details.

Ms. Peters said that gap can be filled with some of the CARES Act funding for families that need it.

Mr. Koelsch suggested that as the Task Force looks at workforce development, recommending that they touch base with the Southeast Regional Resource Center, as they have been involved in the Juneau Child Development Academy and they have worked with the University and the Southeast Alaska Association for the Education of Young Children.

#### **Adjournment**

At 4:47 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