



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor
Meeting Minutes from September 28, 2020

Call to Order

The Economic Stabilization Task Force meeting was called to order at 12:01 p.m. by Ms. Thomas.

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

Task Force Members Absent: None

Staff Present: CDD Administrative Officer, Brenwynne Grigg and CBJ Finance Director, Jeff Rogers

CBJ Assembly Members Present: Mayor Beth Weldon and Loren Jones

Special Guest Speakers: President of Alaskan Brewing Company, Geoff Larson; Executive Director of Juneau Community Foundation, Amy Skilbred; Executive Director of Catholic Community Services, Erin Walker-Tolles; and, Executive Director of Southeast Regional Resource Center (SERRC), Sheryl Weinberg

Approval of Agenda

Ms. Thomas noted that she would recuse herself from conversations around the following agenda items due to a potential conflict of interest:

- COVID-19 Testing Pilot Grant Proposal
- Hospitality Industry Update

Mr. Mertz will be stepping in as Chair for these two agenda topics.

Ms. Thomas asked to move the item, Nonprofit Grant Ordinance Including Food and Shelter Programs, after the approval of minutes on the agenda.

MOTION: by Mr. Botelho to approve the agenda as amended. Ms. MacVay seconded the motion.

Hearing no objections, the motion was approved.

Approval of Minutes

There were no minutes to approve.

Nonprofit Grant Ordinance Including Food and Shelter Programs

Ms. Thomas introduced Ms. Skilbred, Executive Director of Juneau Community Foundation (JCF), who will update the Task Force on awards from the Nonprofit Grants that are being issued, those that overlap with the Business Sustainability Grant awards, and how an extended award might impact the total funding amount.

Ms. Skilbred began by stating there were 48 applications submitted to the Nonprofit Grant Program with 47 grants awarded. One organization submitted two applications and JCF combined them into one grant. Under the rules for the application that was set forward, these applications resulted in \$1.8 million in award. This award value represents over \$7 million in documented need due to COVID-19 related damages. She elaborated that the grant awards take into account, and deduct, any funding received from the Business Stabilization Grant Program. Mr. Larry Persily was hired to manage the Nonprofit Grant Program for JCF. He has worked one-on-one with applicants to ensure all the information needed to establish damages was submitted. He also worked with the CBJ and the applicants to bring them into compliance as to their nonprofit tax status. Most of these nonprofits agencies are tax exempt, but compliance with the CBJ requires them to submit a form claiming their exempt status.

After the grant award amount was totaled at \$1.8 million, and since there were additional funds remaining in the program, Ms. Skilbred began to brainstorm on ways to meet more of the \$7 million in need. She met with Mr. Rogers, Ms. Thomas, and Mr. Mertz to create a streamlined formula to meet the larger need. From there, they calculated an enhanced grant award that is being presented to the Task Force today. The original nonprofit award amount already deducts the Business Sustainability Grant award amounts. The enhanced grant award considers elevating applicants up one level from where they were originally eligible. Then, deductions are applied for any CARES Act funds they may have received, such as PPP funds as grants, or Alaska Community Foundation funds. This results in an enhanced total grant award of \$2.41 million of the total \$3 million that is available. Ms. Skilbred stated that this approach seems like a good approach to funding nonprofits who are able to demonstrate their need without requiring another round of grant applications for a Phase 2 of the Nonprofit Grant Program.

Mr. Mertz asked about entities in the spreadsheet that are showing noncompliance with CBJ sales tax requirements. He asked whether they would receive a grant award. Ms. Skilbred replied that for these entities to become compliant, a form must be submitted to the CBJ. However, this is not to say that they owe back taxes, because they are tax exempt. However, the grant award will not be issued until the CBJ receives the paperwork that is needed.

Ms. Thomas asked the Task Force to consider whether the enhanced grant amounts are reasonable and whether the Task Force should request this of the Assembly. Then if so, to discuss the details of how to administer the enhanced awards with CBJ Attorney. At this time, there is uncertainty whether allowance for the enhanced awards fall under the City Managers authority, or whether it needs to be requested before the Assembly. If a request to the Assembly is needed, their next meeting is October 26.

Mr. Mertz added that there are three or four proposals from Family Promise, Southeast Food Bank, and others, who are requesting the residual funds from this program. He asked if there is harm in continuing fact-finding around additional proposals, in addition to the enhanced award amount, for evaluation at the Task Force meeting on October 8.

Ms. Skilbred replied that recently she spoke with Pastor Tari Stage-Harvey from Shepherd of the Valley Lutheran Church, who is proposing a \$175 thousand program for providing a safe place with WiFi connectivity for students in the mornings and afternoons so they can engage in their schoolwork. Shepherd of the Valley

Lutheran Church recently received \$80 thousand from the Alaska Community Foundation on September 25. This program is different from programs covered under the Nonprofit Grant Program, because it is a new effort and not a stabilization for existing services. Ms. Skilbred and Pastor Stage-Harvey discussed using the school breakfast and lunch program to assist with food costs, which were originally budgeted at \$44 thousand. This would reduce the remaining \$95 thousand needed considerably, depending on how many of the children qualify for the school districts breakfast and lunch program.

Ms. Skilbred also spoke to the Southeast Alaska Food Bank and they shared they do not need additional CARES Act funds because of their inability to spend it by the end of December 2020.

Ms. Thomas suggested working out the details of the potential expanded nonprofit grant award, and the additional requests from Shepherd of the Valley Lutheran Church and the Southeast Alaska Food Bank, for presentation at the October 8 Task Force meeting.

Ms. Skilbred replied that even with the expanded nonprofit grants, there would be \$600 thousand left in the fund for potential reallocation to other programs, and she would like to see the expanded grants move forward.

Mr. Forst stated that if the program were opened for another round, there might be nonprofits that would apply in the second round who should have applied in the first round and did not. Ms. Skilbred replied that she is not aware of many nonprofits who did not hear of the program and have an opportunity to apply. The advertisement of the program was quite extensive. She added that if there was a desire to fund a round of nonprofit grants to new programs, there might be demand.

MOTION: by Mr. Botelho to recommend to the Assembly the expanded grant awards after deductions from other CARES Act grant awards. Ms. Martinson seconded the motion.

OBJECTION: by Mr. Koelsch because he has not had adequate time to read the information submitted.

WITHDRAW: Mr. Botelho withdrew his motion and tabled it to the October 8 Task Force meeting.

The expanded Nonprofit grant award was tabled and will be discussed at the October 8 Task Force meeting.

Ms. Skilbred asked if they should award the original grant amounts in order to issue funds to the nonprofits; then, if the expanded awards were approved later, they would be issued in a second payment. Mr. Rogers stated that another recommendation by the Task force is not needed to move forward with how the grant is written today.

Mr. Mertz stated that for the record, there is consensus to issue the grant awards in their original amounts immediately.

Emergency Appropriation: Mortgage, Rental, and Utility Grant Assistance

Ms. Thomas asked Mr. Mertz to present on the Draft Emergency Appropriation Resolution 2912, appropriating up to \$3 million for a COVID-19 Housing Assistance Grant Program.

Mr. Mertz introduced Ms. Erin Walker-Tolles, Executive Director at Catholic Community Services (CCS), as the

Grant Administrator for this potential new assistance program. The Housing Assistance program is a combination of the mortgage, rental, and utility assistance programs presented at the last Task Force meeting by Mayor Weldon and Assembly Member Hale. This program concedes that eligibility is based on self-assertion of need due to impacts from COVID-19 and self-assertion of income. The application for this program will be written in a way that requires clear documentation of how they have been harmed financially and the reason for their need. Applicants would be eligible for \$500 in utilities and \$1,500 in rent or mortgage assistance. The expense period is from October to December 2020. This period was chosen to reduce the likelihood that a household would be unable to account for that level of expense in the designated period.

Mr. Mertz added that the McDowell Group calculated estimates showing that roughly 50% of households in Juneau would be eligible for this program at the 80% area median income (AMI) level of \$94,240.

Ms. Martinson expressed concern that the application process could ask for 2019 wages as proof of income, when 2020 wages could be significantly lower. She is satisfied with the program moving forward as long as current wages are considered in the application to assess the need. Ms. MacVay expressed concern for this same issue, adding that the Ordinance is unclear whether current wages would be used to assess the need.

Mr. Mertz stated that in the Resolution, it reads that you must have been financially harmed by COVID-19. The application will be developed around this premise.

Mr. Palmer added that the applicant could self-attest, and the grant administrator can request additional information if anything in the application raises concern through Section 3(c)(6) Additional Information.

Ms. MacVay noted a portion of Section 3(c)(3) Income.

The household income must not exceed \$94,240

She asked with the specificity provided, in what period does the income apply. Is it current 2020 monthly earnings annualized or 2019 wages documented in tax returns. Mr. Palmer replied that the language is currently vague and legislative intent can massage that. If the Task Force wants to be more specific they can be, but with more specificity comes more strict adherence to the rules and they could accidentally put themselves into a corner.

Ms. Martinson suggested that applicants could provide a current paystub showing year-to-date income.

Mr. Palmer replied that currently, these are self-attestations. The applicant only has to certify they make less than \$94,240. If the grant administrator has to ask for proof of income, which the Ordinance allows for but does not require, it will slow down the process.

Ms. MacVay referenced Section 3(c)(3) Income.

Proof of income can be evidenced by the most recent tax return or other reasonable and verifiable information.

She suggested this implicates the \$94,240 household income limit is speaking to 2019 income. She suggested removing that language in order to provide greater flexibility. Mr. Palmer replied that the Task Force could remove that language if it is the will of the body.

MOTION: by Mr. Mertz to delete the following sentences from Section 3(c)(3) Income.

Proof of income can be evidenced by the most recent tax return or other reasonable and verifiable information. The Grant Administrator shall not keep a copy of the income verification.

Ms. Bell seconded the motion.

Hearing no objections, the motion was approved.

Ms. Thomas asked for Ms. Walker-Tolles' comments as the Grant Administrator. Ms. Walker-Tolles said she spoke with James Johnson at Community Connections in Ketchikan on the details of their Housing Assistance Program. She likes the idea of keeping Juneau's program flexible in terms of income. Despite the simplicity of the application form, there will still be numerous phone calls for follow-up documentation or questions. When there is simplicity and flexibility in a program, it allows the Grant Administrator to determine when to request additional information and when it is not necessary. There is still much work to do on the details of how to determine which mortgage company or utility company receives a check and the process around that.

Ms. Bell stated that she prefers the simplicity of the combined programs. She thanked Mr. Jim Calvin, Senior Economic Analyst, for gathering information on employment and income. This data shows that according to the American Community Survey in 2018, 53% of Juneau households would have qualified for the program with the household income limitations.

Mr. Koelsch believes the income threshold of \$94,240 is too high of a barrier, and many households financially harmed by COVID-19 will not qualify for this program. With children at home during the school day and some parents working from home, there are additional costs in heating. For parents who are unable to be at home with their young children, there are additional childcare expenses that caught many families unprepared. He advocated for allowing these families to present their case for help if they exceeded the income limit.

Ms. MacVay also expressed support for increasing the income limit or providing some level of flexibility for families that exceeded the income limit.

Mr. Forst communicated concern that by raising the income level, this increases the pool of eligible people for the program. In turn, this increases the risk that the program may run out of funding and some in the lower income levels may not receive assistance when they need it the most.

Ms. Thomas stated that the Assembly is requesting a recommendation from the Task Force today and added that if there are changes to the program, those changes need the support of the Task Force.

Ms. Martinson asked how many households at the income level of 80% AMI are renters versus owners. She

added that the information may not be easy to access, but it could make a difference.

Ms. Walker-Tolles stated that though this information is unknown to her today, CCS will collect data throughout the application process and will report out at the close of the application period. She asked that if the intent is to supply support to people who are financially harmed by COVID-19, what are the Task Force's thoughts around those who have not lost income but have seen increased expenses for childcare due to schools being closed.

Mr. Mertz stated that when over half of Juneau will qualify for this program, he believes the \$94,240 threshold is too high. He would ask where the Task Force wants to target the need first? He feels the need is greatest at the bottom income rung.

Mr. Forst stated that higher income levels may be at duress but they also have greater resources to deal with that duress than people do at lower income levels.

Mr. Botelho replied that he would not vote to increase the income threshold, as he shares the view of Mr. Forst and Mr. Mertz. He would also speak against the idea of granting greater flexibility, since this creates an opportunity for increased arbitrariness.

MOTION: by Mr. Mertz to recommend Draft Emergency Appropriation Resolution 2912, appropriating up to \$3 million for a COVID-19 Housing Assistance Grant Program, with the modification adopted earlier. Ms. Bell seconded the motion.

ROLL CALL VOTE ON MOTION

Ayes: Bell, Belton, Botelho, Forst, Mertz, Martinson, Peters, and Thomas

Nays: Koelsch and MacVay

Motion passed. Eight (8) Ayes, Two (2) Nays

Emergency Appropriation: COVID-19 Testing Platform Grant Ordinance

Mr. Mertz stepped in as Chair for the Emergency Appropriation of a COVID-19 Testing Platform Grant, and Ms. Thomas recused herself from the discussion due to a potential conflict of interest.

Mr. Mertz introduced Mr. Larson, President of Alaskan Brewing Company, for continued discussion on a grant request related to a COVID-19 Monitoring and Testing Platform, from the September 24 Task Force meeting. The newly drafted Ordinance is Emergency Appropriation Resolution 2910, appropriating up to \$175 thousand for a grant to the Greater Juneau Chamber of Commerce to administer a COVID-19 Detection Platform.

Mr. Larson was grateful for the opportunity to provide input with the ordinance language. He expressed the importance of having alignment between the CBJ, the Greater Juneau Chamber of Commerce, and participants in the program. He expressed two points for Task Force consideration.

1. He asked the Task Force to consider this pilot program as a test run for possible use with the entire community of Juneau.

2. Then, to consider the importance of safeguarding participant's personal private information with more substantial language in the Ordinance.

COVID-19 detection and monitoring programs have only become available in the last 7 months. Since they are yet untested, the risks are large. Mr. Larson stated that Alaska Brewing Company is risking potentially negative public relations by testing this pilot program, so they must have assurances that information will be private. If this pilot program is successful and expanded for use in the school system or legislature, there must also be assurances of confidentiality. The administrative costs to businesses are significant but volunteer businesses in the program feel it is in their best interest to keep business open.

Mr. Botelho asked if the Ordinance is inadequate in how it addresses confidentiality in Section 3(d). Mr. Larson replied that he believes the language in the Ordinance is insufficient. He would ask for language stating that the inspectors of information, such as the Incident Commander, Planning Section Chief, and the State of Alaska, have the responsibility to safeguard personal and confidential information. Secondly, Mr. Larson would like language stating that, "nothing in this resolution allows any other confidential information from the businesses or individuals' personal information to be released publically". The intent is to bolster the responsibility of the inspectors to safeguard that information when inspected.

Mr. Botelho also asked for recommendations on specific language he would insert into Section 3(a) Intent, which captures the vetting aspect. Mr. Larson stated he had proposed a paragraph in the intent language to vet the program, focusing more on its ability to mitigate COVID-19. The intent language should capture the spirit of having a proactive platform that creates personal awareness and monitors the virus. The benefit for the CBJ is to test this program at a very low cost to determine whether this might work to scale citywide.

MOTION: by Mr. Botelho to recommend Emergency Appropriation Resolution 2910 to the Assembly, subject to City Attorney Rob Palmer, Mr. Geoff Larson of Alaska Brewing Company, Mr. Bruce Botelho and Mr. Max Mertz of the Task Force, refining the language of Ordinance prior to presentation to the Assembly. Ms. Bell seconded the motion.

DISCUSSION

Ms. Martinson asked if Alaska Brewing Company has received feedback from their employees on whether or not they are comfortable with participating in this program. Mr. Larson replied that in the last few weeks, leadership has discussed this program with every employee. We asked if they would support a testing and monitoring program to improve the health of employees at work. We have seen a resounding show of support for this. This was somewhat surprising, because in Alaska, we have many people concerned about their privacy.

Mr. Mertz asked to hear from Mr. Palmer on whether the motion on the table is sufficient.

Mr. Palmer stated that he could work with Mr. Mertz, Mr. Botelho, and Mr. Larson on revised language. He added that there is a basic understanding missing from this conversation. He stated there is no one in the CBJ, Public Health, or the community at large who believes his or her personal information should be shared. The point being discussed is if information is shared through this program to the State, Incident Commander, or

Planning Section Chief, what happens to the information at that point. Both entities are covered under the Alaska State Public Records Act, which prohibits sharing personal information. Therefore, just because the information may be shared with the State Department of Public Health, the Incident Commander, or the Planning Section Chief, they cannot share it further, except if there is a reason to share it further. For example, to prevent or mitigate the spread of a COVID-19 positive case. This is current practice and the Health Insurance Portability and Accountability Act (HIPAA) also currently provides for the dissemination of information through whatever means are needed to prevent the spread of a contagious disease. Mr. Palmer believes the language in the Ordinance currently provides for this, but if there is language that can be revised to provide further comfort to employees so they are willing to participate, then he believes they can find common ground.

Mr. Botelho stated it might be good to provide reference in the Ordinance to the section in the Alaska State Public Records Act that provides for that confidentiality. Mr. Palmer said that could be included.

Mr. Mertz asked for any objections to the motion on the table.

Hearing no objections, the motion was approved.

Post-Secondary Education Grant Program Ordinance

Ms. Thomas resumed as Chair for the meeting and asked Mr. Mertz to speak on Draft Ordinance 2020-09(O), an ordinance appropriating up to \$500 thousand for Post-Secondary Education Assistance Grants related to COVID-19.

Mr. Mertz introduced Ms. Sheryl Weinberg, Executive Director of Southeast Regional Resource Center (SERRC), as the Grant Administrator of the program if recommended by the Task Force and funded by the Assembly. SERRC provides educational support to school districts around the State of Alaska, and provides other educational programs supporting those returning to school, finishing their GED, or pursuing technical programs. He added that the Ordinance provides for assistance for enrolled students who were financially harmed by COVID-19, at the rate of \$150 per credit hour up to 12 credit hours, to help defray the cost of post-secondary education.

Mr. Mertz added that Ms. Weinberg had a suggestion to include computer support for parents of K-12 students who do not have the necessary technology in the home.

Ms. Weinberg wished everyone Yom Kippur and appreciated the work the Task Force has been doing on health, education, and income stability for Juneau's citizens during this time of COVID-19. She stated that the Ordinance aligns with the mission of the SERRC organization that Alaska's learners, leaders, and educators are prepared to meet the future. It also aligns with the mission of their Learning Connection Program, which serves many vulnerable adults, including out of school youth who are 16 years and older, as well as adult learners. SERRC endeavors to help them have a better life through education.

Ms. Weinberg would like to suggest expanding the scope of the Ordinance to include parents when determining eligibility. The school district has issued computers and connectivity for K-12 learners, but many parents have

indicated to SERRC that they have much learning to do themselves in order to support their young students with the technology and the academic content. Additionally, many households are competing for connectivity and computers now that their children are learning from home.

Ms. Weinberg suggests to consider a household member that is supervising a K-12 student eligible and to consider connectivity an eligible expense up to \$100 per month.

Mr. Forst likes the Ordinance, and after performing some rough math, he sees this might service approximately 260 people if everyone received the maximum award amount of \$1,800. He appreciates the addition of expanding the program to parents for connectivity assistance, but is concerned that it will overwhelm the program at its current funding level.

Mr. Mertz thanked Mr. Forst for his comment and suggested moving forward with the current funding amount. Then, if the demand is such that the funding is quickly exhausted, he believes there will be time to expand the funding level. Additionally, if the Task Force were to adopt the recommended changes, it needs to specify that the award for parents to purchase a computer must be for a computer that is similar to the Chromebooks being purchased by the schools.

MOTION: by Ms. Peters to recommend Ordinance 2020-09(O) to the Assembly as written. Mr. Forst seconded the motion.

DISCUSSION

Mr. Botelho stated that he had not originally understood that the focus was on parents and is puzzled by this addition, wondering if he misunderstood the intent. Mr. Mertz replied that Mr. Botelho was correct in his original understanding, but Ms. Weinberg is proposing this additional eligibility, and the question to the Task Force is whether they want to recommend the Ordinance as it is currently, or to expand the Ordinance to this other purpose.

Ms. Thomas stated that there is a motion to approve the Ordinance as presented. She asked the Task Force if anyone wants to make an amendment to the motion to expand the program to include parents of K-12. Hearing no amendments to the motion, Ms. Thomas asked if there were any objections to the motion.

Hearing no objections, the motion was approved.

Ms. Thomas then asked if there was any interest in discussing the expanded program at the next Task Force meeting.

Ms. MacVay asked if the school district has a program that will support this need of parents with K-12 students. There was uncertainty among the Task Force, but Ms. Weinberg does not believe the school district is offering support to parents of K-12 students similar to the suggestions provided for the expanded program.

Mr. Mertz asked if this discussion could be included into the larger discussion of the Nonprofit Grant Program.

There was consensus to accept Mr. Mertz recommendation.

Hospitality Industry Update

Mr. Mertz stepped in as Chair for the Hospitality Industry Update and Ms. Thomas recused herself from the discussion due to a potential conflict of interest.

Mr. Mertz stated that Ms. Martinson has been gathering input from various sources and asked her to present.

Ms. Martinson stated that the fact-finding group, which consists of herself, Mr. Mertz, and Ms. Bell, has been examining ways this proposal from CHARR could work for the Hospitality Industry and be inclusive of other industries that are also disproportionately affected. There is still work to do and the proposal is not yet ready to bring before the Task Force.

Mr. Mertz stated that the Task Force would have a more detailed update at their meeting on October 8.

Good of the Order

Ms. Thomas stated that Task Force meetings are tentatively scheduled at 3 p.m. on October 8 and 22.

Ms. Martinson asked for an update at a future meeting from Mr. Bradley Grigg from Bartlett Regional Hospital on trends in the Behavioral and Mental Health Departments.

Adjourn

At 1:24 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