



Economic Stabilization Task Force

Appointed by the City & Borough of Juneau's Mayor
DRAFT Meeting Minutes from October 8, 2020

Call to Order

The Economic Stabilization Task Force meeting was called to order at 3:02 p.m. by Mr. Mertz.

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: CBJ Deputy City Manager, Mila Cosgrove; 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 Juneau Soccer Club, Whit Adams; President of Falcons Full Court Club, John Blasco; Representative for Glacier Swim Club, Amy Bowers; Pastor of Shepherd of the Valley Lutheran Church, Tari Stage-Harvey; President and CEO of Tlingit Haida Regional Housing Authority, Jacqueline Pata; Executive Director of Juneau Community Foundation, Amy Skilbred; Executive Director of Catholic Community Services, Erin Walker-Tolles; and, Concerned Business Coalition Members Kristin Mabry and Leeann Thomas

Approval of Agenda

Mr. Mertz asked that Mr. Rogers give a brief update on remaining CARES Act funding and present on an updated pie chart and table immediately after the approval of minutes.

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

Hearing no objections, the motion was approved.

Approval of Minutes

MOTION: by Mr. Botelho to approve the Economic Stabilization Task Force meeting minutes from September 24 and 28, 2020. Mr. Forst seconded the motion.

Hearing no objections, the motion was approved.

CARES Act Funding – Pie Chart & Table

Mr. Rogers presented an updated pie chart and table, sharing an overview of programs that have received

CARES Act funding. He stated that dependent upon whether the nonprofit grant program can fully expend its funds, he estimates there is between \$3.5 and \$5 million remaining in CARES Act money.

Juneau Lifeline: Funding for Businesses Substantially Harmed by Shutdown

Mr. Mertz introduced members of the Concerned Business Coalition to speak on their proposal for Juneau Lifeline: Funding for Businesses Substantially Harmed by COVID-19 Related Shutdowns. He introduced Ms. Leeann Thomas and Ms. Kristin Maybry as spokespeople for the coalition.

Ms. Thomas stated the Concern Business Coalition is requesting funds for year-round operations suffering extreme hardship due to COVID-19. Since the original request from the Juneau/Lynn Canal Cabaret, Hotel, Restaurant, and Retailers Association (CHARR), the proposal has broadened to include gyms, personal services, and year-round tourism. Most business in Juneau struggle in the winter months in normal years, but many of these have lost more than 50% of sales revenue during their bread and butter months in the summer. These summer months are what they rely on to get them through the winter. Additionally, they are incurring increased costs for new cleaning protocols and testing of staff. Many of the bars and restaurants have lost product during shutdowns due to perishable items. The businesses facing extreme hardship rely on face-to-face customers and they need people to walk through their doors, though many of their customers are still afraid to patronize their businesses due to COVID-19. The businesses have worked diligently to stay open and stay safe, while still losing over 50% of sales in their third quarter. This \$2 million grant proposal extends a lifeline to help these businesses facing extreme hardship to stay open during the winter in hopes that summer will bring more economic activity. To be eligible, the business must be a year-round operation, which is verifiable by reviewing sales tax quarterly returns. If the program becomes oversubscribed, Ms. Thomas recommends reducing grants at the levels that are oversubscribed. The three levels of grants are \$20 thousand grants for bars, \$15 thousand grants for restaurants, and \$15 thousand grants for other affected businesses. After gathering data, she believes approximately 128 businesses will apply.

Ms. Mabry introduced herself as Co-Owner of The Gym in Juneau. The Gym endured a forced closure from March 18 to May 9 and lost many membership subscriptions as a result. When allowed to reopen, it was only at 25% of their capacity. They have been forced to lay off all their staff just to continue covering expenses and their overall membership levels are still down. She thanked the Economic Stabilization Task Force for hearing this proposal and allowing them to be a part of the discussion.

Mr. Botelho asked if the financial distinction in the proposal between bars and restaurants is because bars were shut down entirely. Ms. Thomas affirmed his assumption, stating this program targets those who have been forced to close completely, and those who are only allowed to operate at 25% to 50% of their capacity.

Mr. Botelho asked how she arrived at 30%, where it states in the proposal that businesses must pledge that amount of their grant proceeds on payroll expenses or employee benefits. Ms. Thomas replied that Mr. Mertz assisted them with that number, but they believe most employers will in fact spend over 30% of their grant toward staffing.

MOTION: by Mr. Koelsch to recommend to the Assembly the Juneau Lifeline Proposal. Mr. Botelho seconded the motion.

DISCUSSION

Mr. Koelsch stated that through his past roles working as a High School Activities Director, working on Glory Hall property acquisition, and as the City & Borough of Juneau's Mayor, he became very aware that businesses in this targeted market have consistently supported the Juneau community by donating to fundraising efforts and charitable organizations. He believes it is time for the Juneau community to give back.

Ms. Thomas mentioned the large number of letters and emails received over the past few days from a broad base of companies sharing their stories and requesting help. The letters claim that this proposal will make a difference in their payrolls and allow them to last a while longer – hopefully until summer. She reminded the Task Force that this assistance proposal is beyond the Business Sustainability Grant, because it requires evidence of extreme hardship to qualify.

Ms. Bell stated that since her time at McDowell Group, they have performed numerous economic impact studies. It is clear there is a misperception on how much seasonal business and local ownership supports Juneau’s economy. She added that seeing the collective impact of how this community is hurting is profound. She expressed support for the motion and asked to capture the statements of Mr. Koelsch in the recommendation of the Task Force.

Ms. MacVay shared that she read every email and letter submitted for this proposal. Many of these businesses are claiming an 80% to 90% decrease in revenue, and this money will be well-spent if the Task Force is interested in having a business community next year like the one we have previously enjoyed.

Mr. Botelho said that it is becoming apparent there may not be another federal stimulus package anytime soon, and this aid will help these businesses make it until the end of the year.

Mr. Mertz shared data on the number of qualifying businesses, including an expanded category for Single-Employee/Owner/Juneau-Based. The original proposal shows 74 restaurants, but information provided by Mr. Clinton Singletary, CBJ Sales Tax Administrator, reflects 80 restaurants. Mr. Mertz stated that he was moved by the comments received and felt there was an oversight in the proposal. There are single owner businesses that may not have opened their doors all year, but still have Juneau residences and children in Juneau schools. These owners are working their business all year, even if their doors are not open, by collecting other revenue and gearing up for next season. For these reasons, he believes it is fair to include this group. Therefore, if they do not have a 3rd quarter sales tax record because there is zero business, but can demonstrate that they live in Juneau there should be a way for them to participate. However, because they do not have employees, the grant amount should be reduced.

Modified & Expanded Extreme Hardship Proposal			
Numbers	Type	Grant Amount	Total
14	Bars	\$20,000	\$ 280,000
80	Restaurants	\$15,000	\$1,200,000
40	Other Year Round	\$15,000	\$600,000
25	Single-Employee/Owner/Juneau-Based	\$7,500	\$187,500
			\$2,267,500
			~\$2,300,000

Mr. Mertz asked for an amendment to the motion to correct the number of restaurants from 74 to 80, and allow provisions for small single owner Juneau based businesses. This brings the total request from \$2 million to \$2.3 million.

AMENDMENT: by Mr. Botelho to increase the request for the Juneau Lifeline Proposal to \$2.3 million and including a category for single-employee business owners who are based in Juneau. Ms. Peters seconded the motion.

Hearing no objections, the amendment was approved.

Mr. Mertz stated there was now an amended motion on the table and asked for objections.

OBJECTION: by Ms. Thomas for the sake of discussion.

Ms. Thomas stated that for the sake of conversation, she would like to discuss what objections the Assembly or others might have regarding this program. She suggested that perhaps some would rather see additional funding for nonprofits. However, nonprofits have been unable to spend the money allocated so far unless they shift the focus away from sustainability and toward new programs.

Ms. MacVay said the major downside to this program is that there will be some other need competing for the funding. The Assembly will have to weigh that when they consider all proposals. She added the larger risk is that some CARES Act funding will be returned to the federal government if unspent. To lose the opportunity for that money to be spent in Juneau is unacceptable. She asked if the \$2.3 million allocated to the Juneau Lifeline Program is unsubscribed, could the remaining amount be divided evenly among grant applications? She asked for that to be considered in the writing of the ordinance.

WITHDRAWAL OF OBJECTION: Ms. Thomas asked for more discussion, and hearing none, withdrew her objection.

Hearing no objections, the amended motion was approved.

Trail Projects Status Update

Mr. Botelho shared that the Conservation Corps Grant Program was ending. There were conversations with the CBJ and Trail Mix around extending additional funding for projects, but it was decided there was not enough time to complete those projects, now that crews are starting to run out of daylight to work.

Trail Mix, Eaglecrest, and CBJ Parks and Recreation have improved the following trails:

- ✓ Horse Tram Trail
- ✓ Anne Coleman Beach Access Trail
- ✓ Eagle Valley Cabin Trail
- ✓ Dicks Lake Trail
- ✓ Eaglecrest Mountain Bike Trail
- ✓ Eagle Valley Ropes Course Trail
- ✓ Red Mill Trail
- ✓ Granite Creek Trail
- ✓ Eagle Valley Elevated Walkway Replacement

Additionally, Trail Mix has documented 136 hours of job skills training per crewmember. Trainings include trail design and layout, safe rigging practices for trail work, wilderness advanced first aid, basic chainsaw operation, trail mix orientation, and basic trail skills.

Mr. Botelho expressed that this program has been a successful undertaking and Juneau citizens will enjoy the fruits of this for years to come.

Nonprofit Grant Update

Ms. Thomas shared that \$1.8 million of \$3 million allocated to the Nonprofit Sustainability fund has been approved and will be awarded as grants. Since additional funds remain in the program, the City Manager extended the application period to October 21. There was a request to increase the grant amounts, which would result in total grant amounts of \$2.4 million, an increase from the original \$1.8 million. However, now that the application period is extended, the total grant amounts could be greater if additional applications are submitted. Advertisement efforts are underway for the extended application period.

Ms. Thomas also noted that there are four additional social services program requests. These are:

1. Tlingit and Haida Regional Housing Authority requesting funds to purchase and renovate property to provide shelter for youth who are experiencing homelessness.
2. Family Promise requesting funds to purchase and operate a facility for their operations in supporting families that are experiencing homelessness.
3. Southeast Alaska Food Bank requesting funds to purchase a 6-month supply of food and rent heated storage space for that food.
4. Shepherd of the Valley requesting funds to operate a Safe Place for Schooling program to support children during online school.

Funding Request for Homeless Youth Shelter

Mr. Mertz introduced Ms. Jacqueline Pata, President and CEO of Tlingit Haida Regional Housing Authority, and asked her to present on the funding request submitted to the Task Force.

Ms. Pata stated that Tlingit & Haida Regional Housing Authority (THRHA) is a part of the Juneau Homeless Coalition, and that they work with a Youth Homeless Coalition as part of a statewide effort in Alaska. Currently, Juneau does not have a sheltering facility for youth, despite having 100 – 150 youth who are vulnerable and/or couch surfing at any given time. Zach Gordon Youth Center and THRHA have collaborated on this proposal to create a homeless youth shelter, and have applied for a variety of funds. To date, they have received \$150 thousand of CARES Act funding from the U.S. Department of Housing and Urban Development (HUD). A property on Hurlock Avenue has been identified as a location for this youth shelter, as it was used in this capacity in prior years, formerly known as Cornerstone. The CBJ Planning Commission considers approval of their request for a Conditional Use Permit on October 13. If approved, THRHA plans to acquire the property from its current owners, Alaska Legacy Partners, and give the property and building back to the CBJ. The CBJ would then lease the property to THRHA for use. THRHA will serve as the property managers and Zach Gordon will provide the shelter services. The proposal budget includes \$924 thousand in renovations, which includes a new roof. THRHA plans to continue pursuing additional funding for this youth shelter.

Funding Request from Family Promise

Mr. Mertz asked Pastor Tari Stage-Harvey of Shepherd of the Valley Lutheran Church to present her proposal with Family Promise.

Pastor Stage-Harvey stated that Family Promise relies heavily on volunteers and church buildings in meeting the needs of displaced families. Since the COVID-19 pandemic, many of the church buildings have been closed down and most of the volunteers struggled to serve in a similar capacity as they had pre-COVID. Currently, Family Promise is relying heavily on Chapel by the Lake in Auke Bay to fill the gaps by hosting families and Day Center services in their facility. At some point, Chapel by the Lake will need to reclaim their space and there will be a gap if congregations are not yet be able to host families. A building has become available that is within their means that can be used as a Day Center. The building will not shelter families overnight, but families are welcome during the day when they are not working, and staff will use some of the space for offices.

Mr. Mertz thanked Pastor Stage-Harvey and Ms. Pata for their presentations. He added that CARES Act funding is running against the calendar at this point, since money must be expended on active programming prior to December 30, 2020. He asked Mr. Rogers to report on this.

Mr. Rogers stated that, according to the U.S. Treasury Guidance on CARES Act funds, expenditures must be for things deemed necessary and for expenses incurred due to the public health emergency of COVID-19. Mechanically, funds must be spent by December 30, 2020, and not just obligated. Hypothetically, if a facility was purchased with CARES Act funding, the CBJ would expect the facility to be in use by December 1, 2020. The CBJ Assembly's next meeting is on October 26, where they could pass an emergency appropriation resolution if that is their will. Their next regular meeting is November 23, where it will be possible for an ordinance to move, but there will be new Assembly members who may have a learning curve.

Mr. Mertz asked if the Task Force would like to refer the two programs funding requests to Mr. Rogers and Mr. Palmer to vet the information, their eligibility for CARES Act funding, and their ability to be operational prior to the deadline.

Mr. Botelho said he would like to hear from Ms. Pata and Pastor Stage-Harvey regarding whether they feel they can meet the mechanical requirements as Mr. Rogers presented.

Ms. Pata stated they feel they can have the youth shelter operational by the deadline, because the building is habitable as is. They can purchase the necessary equipment for furnishing and renovate in stages while operational. Additionally, THRHA has their own construction crew and are not bound to an outside contractors' schedule. THRHA is concerned because homeless youth are currently receiving their services from adult service providers, and this is an unsafe place for them to be.

Pastor Stage-Harvey shared the building they would like to purchase is move-in ready and would not be a radical change in use from its current use. Staffing at Family Promise has grown from one to six to meet the needs created by COVID-19, so at minimum, the extra office space needed is directly linked to COVID-19. They are ready to move swiftly.

Ms. Thomas stated that in considering the best use of the remaining CARES Act funds, she is bothered that there is not a grant program focused on providing food and shelter. She added that the Alaska Community Foundation is due for another round of funding, which will be out in two weeks. The next couple of weeks are critical for nonprofits and the program funding being requested. The next Task Force meeting on October 22 will still allow for a timely Assembly recommendation.

Ms. Thomas reminded the Task Force of two additional nonprofit requests which are directly linked to food and shelter. The Southeast Alaska Food Bank is requesting \$79.3 thousand to rent two heated storage spaces for November and December, and to purchase and store six-months of nonperishable food. Additionally, there is the outstanding request of \$95 thousand to fund the Safe Space for Schooling program.

Pastor Stage-Harvey informed the Task Force of a vote that is happening tonight on the five locations for the Safe Space for Schooling program, which are scattered throughout the valley, in the downtown, and in Douglas.

Mr. Mertz asked Mr. Rogers if purchasing a six-month supply of food is CARES eligible. Mr. Rogers replied that the U.S. Treasury Guidance broadly allows for advanced purchasing of supplies related to the pandemic.

Ms. Thomas recommended deferring action on these programs until October 22 to allow time to gather additional information, as this still may not represent a complete picture of the need.

Mr. Botelho asked if there was a reason to defer on the request from the Southeast Alaska Food Bank.

Mr. Mertz stated he does not feel the need to defer on the Southeast Alaska Food Bank request or the Safe Places for Schooling program.

Ms. Thomas stated that if this group, which is very aware of what is happening in the community, is not aware of a higher and better use in the area of food and shelter, she agrees to move forward.

Ms. Martinson agreed, stating that the Task Force is always looking for gaps in food and shelter, but these items are important and if the drafting of an ordinance can be set in motion sooner, that is ideal.

MOTION: by Ms. Martinson to recommend to the Assembly funding for the Safe Space for Schooling program and funding for the Southeast Alaska Foodbank. Ms. Bell seconded the motion.

Hearing no objections, the motion was approved.

Mr. Mertz asked Mr. Rogers and Mr. Palmer to gather additional information on the requests from Family Promise and THRHA to determine if this is technically allowable through the U.S. Treasury Guidelines for CARES Act funding.

Housing Assistance Update

Mr. Mertz asked Ms. Erin Walker-Tolles for an update on the Housing Assistance program that was passed by the Assembly on October 1. He added that this is an important program, and there may be a demand for additional funding down the road.

Ms. Walker-Tolles shared that staff at Catholic Community Services (CCS) has been moving quickly to ready this program. They are already receiving phone calls requesting details and wanting to know when the application period begins. CCS has created a messaging system to ensure interested individuals are receiving correct information regarding eligibility requirements. CCS is not accepting applications at this time, but they are meeting with the CBJ Information Officer, Lisa Phu, for assistance with advertising. They expect the application period to open one week after Ms. Phu initiates the information release.

Mr. Forst suggested outreach to the landlords of the larger apartment complexes, since they may know of some tenants who could benefit from this program. Ms. Walker-Tolles said that was a great idea and replied that information will also be shared with the nonprofit network, tribal corporations, the business community, and anyone in an affected industry. Additionally, they plan to release information to the Interfaith Council, Love Inc., and the broader faith community through churches. CCS will share this as broadly as possible and will post flyers around town. She welcomed any ideas for places of notice. CCS plans to donate a radio advertisement and a digital ad in a media outlet such as KINY, but asked if the CBJ can support funding for additional advertising.

Ms. MacVay said she would reach out to local banks, informing them of the program so they can promote it to those they see are in need.

Ms. Belton added that Central Council for Tlingit and Haida Indian Tribes of Alaska would provide advertising through their communications department in digital and ink forms.

Ms. Bell suggested the utility companies might include an advertisement for the program on their statements.

Ms. Walker-Tolles added they know many families who faithfully pay their utilities and house payments in order to avoid homelessness, but cannot afford to buy their children winter boots and scrimp on food. This program will provide some temporary relief.

Mr. Rogers said the CBJ will pay for additional advertising, and that he will work with Ms. Phu.

Mr. Mertz asked if it makes sense to set aside leftover CARES Act funds in the event the Housing Assistance Program needs additional funding, since there seems to be much demand.

Mr. Forst agreed, adding that this program could be a way to sweep up any excess funds that are unspent. He added that this is an ideal program for this purpose, since it reaches the broadest part of the population and is not targeting a specific industry.

MOTION: by Mr. Forst to increase funding to the Housing Assistance program by \$1 million. Ms. Bell seconded the motion.

Ms. Bell asked Mr. Rogers to consider a mechanism in the ordinance for capturing excess funds into this program as the deadline nears.

Mr. Rogers stated that it is in the Assembly's power to authorize additional payments directed at public assistance in late December. There are no restrictions on expanding the Housing Assistance Program, even toward the end of the year. In January 2021, CBJ Finance will reconcile how much has been spent and find expenditures from 2020 that qualify as COVID-19 eligible to reimburse the internal government organization. At the very least, Bartlett Regional Hospital and the Juneau School District will be able to reconcile everything that might remain.

Mr. Mertz suggesting changing the parameters of the program by increasing the income level if there are not enough expenditures. Ms. MacVay suggested increasing the payouts.

Mr. Mertz suggested considering the additional \$1 million as a placeholder item and including this topic as an agenda item at the October 22 meeting. By then, the application should be out and an update may better inform the motion for an additional \$1 million in program funding.

MOTION WITHDRAWN: The motion to increase funding to the Housing Assistance Program by \$1 million was delayed until the October 22 Task Force meeting.

Business Stabilization Grants Update

Mr. Rogers informed the Task Force that a supplemental grant agreement has been signed, and additional funds are on their way to JEDC. JEDC staff is still reviewing applications, but many of the applicants have received the 75% prepayment authorized by the CBJ.

Informational Item: Youth Activities

Mr. Mertz introduced Mr. John Blasco, President of Falcons Full Court Club; Ms. Amy Bowers, Representative for Glacier Swim Club; and, Mr. Whit Adams, President of Juneau Soccer Club, who had submitted a letter to the Task Force.

Mr. Blasco shared that coaches and youth recreation advocates are increasingly concerned about the minimal social interaction available to children due to online learning and canceled recreation activities. Data across the country shows an increase in mental health issues and substance abuse in children. Bartlett Regional Hospital is reporting an increase in Emergency Department visits from children for substance abuse and depression. Contributing factors include isolation from social support networks and lack of sports. Mr. Blasco stated that he, Ms. Bowers, and Mr. Adams are interested in finding a way for kids to re-engage safely in activities in gyms, the field house, and the pools. They understand that CARES Act funding for 2020 is almost depleted, but are requesting that, if there were another round of federal stimulus, the Task Force prioritize the support of youth recreation for the health and well-being of the children in Juneau.

Ms. Bowers added that parents are hungry to involve their children in activities. Glacier Swim Club (GSC) is surprised at the demand and their resulting wait lists. Addressing the wait list is challenging due to the limited times and lanes allowed in the pool. Additionally, there are over 500 children not being served in the Fourth Grade Learn to Swim program this year. Expenses for GSC are higher than usual due to expensive protocols with decreased enrollment and fundraising budgets.

Mr. Adams stated that the Juneau Soccer Club (JSC) normally hosts 140 to 160 children. In March, all activity ceased. Since then, they have struggled to find coaches, because many former coaches are considered critical workers in the community and cannot be involved with that many children. This week, the JSC is operating in a limited capacity by offering services to 10 to 14-year-olds on co-ed teams. Typically, JSC coaches players from

age 3 to 18. Sadly, this means a large majority of regular soccer players in Juneau do not have access to the sport.

Ms. Bell added that from a business perspective, youth activities are struggling financially because many raffle and fundraising events are not happening. If federal funding expands, she supports the idea that this is a real area of concern.

Mr. Forst, a parent of a 14-year-old, stated that children are struggling with being unable to play sports, attend school in-person, and have a real social life. Social interaction with parents can get old fast – they need interaction with their peers. He encouraged the Task Force to keep this at the top of their list if additional funding is dispersed.

Mr. Mertz expressed his agreement with everyone, adding that he and Mr. Rogers had discussed how hindsight is revealing that this is a big deal. He appreciates the work of the youth activities groups and hopes to be looking at a support package later.

Public Comment Matrix

Ms. MacVay shared that proponents of the Juneau Lifeline proposal were motivated to submit public comment, and some very moving and informative emails were received.

Mr. Forst encouraged the Task Force to read all the letters if they have not already. He relates with many of the frustrations, concerns, and worry found in them, and hopes the Assembly recognizes this as well.

Good of the Order

Ms. Thomas informed the Task Force that Mr. Bradley Grigg, Chief Behavioral Health Officer from Bartlett Regional Hospital, would be providing updates on the impact of COVID-19 on children's mental and behavioral health at the next meeting on October 22.

Ms. Thomas also stated that she and Ms. Bell began work on the report of Task Force activities, and are developing a format for everyone to complete. However, she suggested waiting until November due to many programs on the agendas that have time constraints.

Mr. Mertz shared that the request for proposals are live for the ArtWorks Program. There is a Q&A meeting at noon on October 15, and proposals are due October 26. It appears there is a huge demand; the Juneau Arts and Humanities Council is receiving a lot of feedback from the Juneau Arts Community. They have even received feedback and enquiry from all over the state, and have had to turn artists away who are not local to Juneau. It appears this program is a good fit and is timely. He will ask Ms. DeCherney, the Executive Director of the Juneau Arts & Humanities Council, to give an update at a future Task Force meeting.

Adjourn

At 4:49 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