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# VOTER INFORMATION

October 1, 2019 Municipal Election

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## PROPOSITION 1

HOTEL-MOTEL ROOM  
RENTAL TAX INCREASE

## PROPOSITION 2

GENERAL OBLIGATION  
(G.O.) BOND

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## PROPOSITION 3

ADVISORY VOTE



# ELECTION OVERVIEW

## Candidate Election:

The October 1, 2019, Municipal Election offers voters the opportunity to select candidates for the City and Borough of Juneau Assembly and for the Juneau School District School Board. A sample ballot is enclosed in this pamphlet and information about the candidates can be found by visiting the City's website: [www.juneau.org](http://www.juneau.org)

## Proposition Election:

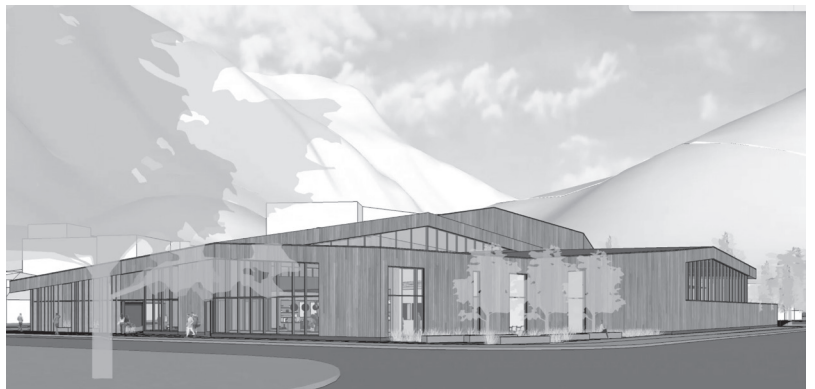
There are three propositions for voter consideration. A sample ballot is enclosed in this pamphlet and information about each of the propositions is included in this pamphlet.

- **Proposition 1** asks voters to approve a temporary 2% increase to the hotel-motel room rental tax effective January 1, 2020, and extending to December 31, 2034. It is anticipated that this increase will generate \$440,000 of additional revenue per year. It is the intent of the Assembly to use this revenue to fund improvements to Centennial Hall Convention Center.
- **Proposition 2** asks the voters to approve a General Obligation Bond in the amount of \$7,000,000. Bond proceeds will be used to fund improvements to the Centennial Hall Convention Center. If the voters approve Proposition 1, it is the intent of the Assembly to use the additional revenue to offset Bond payments.
- **Proposition 3** asks voters to advise the Assembly regarding the use of 1% temporary sales tax funds to award a grant to the Juneau Arts and Humanities Council for the purpose of partial funding for the construction of the New Juneau Arts and Culture Center (JACC).  
The \$4,500,000 in funds was originally approved by the voters in 2017 to provide capital improvements to Centennial Hall. The Assembly wishes to reprogram these funds to the New JACC and seek alternate funding for Centennial Hall.

A vote on each of the propositions is requested.



Old JACC



New JACC

# PROPOSITION 1

## HOTEL-MOTEL ROOM RENTAL TAX INCREASE

### Q: What is the purpose of Proposition 1?

A: If approved by the voters, it is the intent of the Assembly to use the increase in the hotel-motel room rental tax to provide partial funding for improvements to Centennial Hall. If the General Obligation Bonds in Proposition 2 pass, the revenue will be used to partially pay the debt service from the bonds, decreasing the overall impact to property tax.

### Q: What is the impact of Proposition 1?

A: Juneau currently levies a 7% tax on hotel-motel room rentals. This ballot proposition, if approved by the voters, would increase the hotel-motel room rental tax by an additional 2% for a tax rate of 9% beginning January 1, 2020, and extending through December 31, 2034. It is anticipated that this will raise an additional \$440,000 of revenue annually.

# PROPOSITION 2

## GENERAL OBLIGATION (G.O.) BOND

### Q: What is the purpose of Proposition 2?

A: If approved by the voters, this proposition will authorize the issuance of \$7,000,000 in General Obligation Bond debt for paying the cost of renovations, construction, upgrades and capital improvements for Centennial Hall Convention Center which includes upgrading the HVAC system, making improvements to the sound system, lighting system and technology, the interior flooring, furnishings and wall systems, and expanding the lobby area. Depending on cost of construction it may also include renovating and expanding break-out rooms, corridor and business center, and construction of new meeting rooms, offices and adding an enclosed and heated corridor between Centennial Hall and the new arts and culture center.

### Q: If Proposition 2 passes, how will it impact my property tax?

A: The CBJ estimates that the total annual debt service costs for the bonds, assuming current interest rates, will be \$600,000 for 15 years under current market conditions. There are two scenarios for how property taxes would be affected:

**Scenario 1** If Proposition 1 is approved, the increased hotel-motel tax revenue would be used to pay approximately two-thirds of the annual debt service, and one-third of the annual debt service would be paid by an increase to property tax. Beginning in 2021, for a period of 15 years, this debt service would require an additional annual tax levy of 0.04 mils which equates to \$4 per \$100,000 of assessed property value.

**Scenario 2** If Proposition 1 is not approved, beginning in 2021, for a period of 15 years, the debt service would require an additional annual tax levy of 0.12 mils which equates to \$12 per \$100,000 of assessed property value.



# PROPOSITION 3

## ADVISORY VOTE

### **Q: What is the purpose of the Advisory Vote?**

A: The CBJ Assembly is seeking the guidance of the voting public regarding the potential reallocation of \$4,500,000 in 1% temporary sales tax funds. The existing Juneau Arts and Culture Center (JACC) is owned by the CBJ and is in need of replacement. The potential grant funds were originally slated for renovations and upgrades to Centennial Hall Convention Center and would be reprogrammed as a grant to the pARTnership for the New JACC for the purposes of construction of that facility.

### **Q: Doesn't the New JACC cost more than \$4,500,000? Where is the additional funding coming from? What happens if The pARTnership board is unable to raise the additional funds?**

A: Currently, the estimated cost to design and construct the New JACC is \$26,400,000 of which \$4,500,000 would come from an Assembly grant. At present, The pARTnership for the New JACC has raised 21% of the funds required to build the new JACC. An Assembly grant of \$4,500,000 would increase the total fundraising efforts to 38% of the project. Other major grantors have indicated a willingness to contribute to the project once the fundraising efforts generate a significant portion of the project cost. The Assembly grant will not be released to The pARTnership until 90% of the funding is in place. Should The pARTnership for the new JACC be unable to raise the remaining funds, the \$4,500,000 will revert to the CBJ.

### **Q: Who will own the building once it is completed?**

A: CBJ owns the current JACC and leases it to the Juneau Arts and Humanities Council (JAHC). The New JACC will be owned and operated by the Juneau Arts and Humanities Council on land leased to the JAHC by CBJ.

### **Q: Why should the CBJ invest in the new JACC?**

A: The arts and culture industry is a significant economic driver in Juneau's economy. The New JACC is anticipated to generate about \$19,000,000 in the Juneau economy during the construction phase and contribute to the \$58,000,000 spent annually by artists, arts organizations, and audiences in the region.

## POSSIBLE OUTCOMES

**The outcome of each proposition is independent from the others, but here is a description of what happens if some propositions are approved while others are not.**

### **Q: What would happen if the voters approve Proposition 1 and 2?**

A: CBJ would issue \$7,000,000 in general obligation bonds to fund Centennial Hall Improvements. The \$6,600,000 million of increased revenue from the 2% hotel bed tax increase would be allocated to pay the debt service on the bonds. The remaining bond debt would be paid through a property tax increase

# POSSIBLE OUTCOMES

## CONTINUED

of 0.04 mils which equates to \$4 for every \$100,000 of property tax value.

### **Q: What would happen if Proposition 1 is approved, but Proposition 2 is not approved?**

A: The \$440,000 of increased revenue per year from the hotel-motel bed tax could be used for incremental improvements to Centennial Hall each year as the new funds are received. Alternatively, those annual receipts could be saved from year to year until there was enough to fund a significant capital improvement project, extending the amount of time necessary to complete needed renovations to Centennial Hall.

### **Q: What would happen if Proposition 2 is approved, but Proposition 1 is not approved?**

A: CBJ would issue \$7,000,000 in general obligation bonds. The annual debt service of \$600,000 per year for 15 years, would be paid through a property tax increase of 0.12 mils which equates to \$12 per year for every \$100,000 of property value. The hotel bed tax would remain at its current rate of 7%.

### **Q: What would happen if neither Proposition 1 nor Proposition 2 are approved, but Proposition 3 is approved?**

A: The hotel-motel bed tax rate would remain at 7%, and the Assembly would not issue general obligation bonds for Centennial Hall. The Assembly would reprogram the \$4,500,000 from the 1% temporary sales tax revenue to the New JACC project. There would be no funding approved for improvements to Centennial Hall.

### **Q: What would happen if Proposition 2 is approved but Proposition 3 for the grant to the New JACC project is not approved?**

A: The Assembly would not reprogram the \$4,500,000 from the 1% temporary sales tax revenues to the New JACC project. The \$4,500,000 would be used as previously intended for Centennial Hall. The CBJ could also issue up to \$7,000,000 in general obligation bonds to fund the projects in Proposition 2. This could result in up to \$11,500,000 of total authorized funding for improvements to Centennial Hall.

### **Q: What would happen if Proposition 1 is approved but Propositions 2 and 3 are not approved?**

A: The Assembly would not reprogram the \$4,500,000 from the 1% temporary sales tax revenues to the New JACC project. The \$4,500,000 would be used as previously intended for Centennial Hall. The additional \$440,000 per year of increased revenue from the hotel-motel room rentals would be used for improvements to Centennial Hall.

# SAMPLE BALLOT FRONT

**INSTRUCTIONS TO VOTER:** To vote for the issue/candidate of your choice, **fill in the oval next to the issue/candidate you want to vote for.** Place your ballot inside the secrecy sleeve and then take your ballot to the ballot box.

If you make a mistake while voting, return the ballot to the election official for a new one.  
**A vote which has been erased or changed will not be counted.**



## OFFICIAL BALLOT

THE CITY AND BOROUGH OF JUNEAU

REGULAR MUNICIPAL ELECTION, OCTOBER 1, 2019

Completely fill in the oval to the right of the selection you choose: ●

### DISTRICT 1 ASSEMBLY VOTE FOR NOT MORE THAN TWO

Greg Smith ☐  
Alicia Hughes-Skandijs ☐  
Write-in ☐  
Write-in ☐

### AREAWIDE ASSEMBLY VOTE FOR NOT MORE THAN ONE

Carole Triem ☐  
Write-in ☐

### SCHOOL BOARD MEMBER VOTE FOR NOT MORE THAN TWO

### DISTRICT 2 ASSEMBLY VOTE FOR NOT MORE THAN ONE

Wade Bryson ☐  
Write-in ☐

Deedie Sorensen ☐  
Martin Stepetin Sr. ☐  
Bonnie Jensen ☐  
Emil Robert Mackey ☐  
Write-in ☐  
Write-in ☐

### PROPOSITION NO. 1

**AUTHORIZATION TO TEMPORARILY INCREASE THE HOTEL-MOTEL ROOM TAX FROM SEVEN TO NINE PERCENT EFFECTIVE JANUARY 1, 2020, UNTIL DECEMBER 31, 2034.**

#### Explanation

Juneau currently levies a seven percent tax on hotel-motel room rentals. This ballot proposition, if approved by the voters, would temporarily increase the hotel-motel room rental tax from seven percent to nine percent from January 1, 2020, to December 31, 2034. The two percent increase is projected to raise \$440,000 annually. It is the intent of the Assembly to use this increase in the hotel-motel room rental tax to provide funding for the construction of capital improvements for Centennial Hall. The tax proceeds could also be used to help pay for general obligation debt service related to Centennial Hall.

### PROPOSITION NO. 1

**AUTHORIZATION TO TEMPORARILY INCREASE THE HOTEL-MOTEL ROOM TAX FROM SEVEN TO NINE PERCENT EFFECTIVE JANUARY 1, 2020, UNTIL DECEMBER 31, 2034.**

Shall the City and Borough of Juneau temporarily increase the tax on hotel and motel transient room rentals from seven percent to nine percent for fifteen years?

HOTEL-MOTEL ROOM TAX INCREASE, YES ☐

HOTEL-MOTEL ROOM TAX INCREASE, NO ☐

TURN BALLOT OVER TO CONTINUE VOTING

# SAMPLE BALLOT BACK

**INSTRUCTIONS TO VOTER:** To vote for the issue/candidate of your choice, **fill in the oval next to the issue/candidate you want to vote for.** Place your ballot inside the secrecy sleeve and then take your ballot to the ballot box.

If you make a mistake while voting, return the ballot to the election official for a new one.  
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## OFFICIAL BALLOT

THE CITY AND BOROUGH OF JUNEAU  
REGULAR MUNICIPAL ELECTION, OCTOBER 1, 2019  
Completely fill in the oval to the right of the selection you choose: ☐

### PROPOSITION NO. 2 GENERAL OBLIGATION BONDS \$7,000,000

#### Explanation

The proposition will authorize the issuance of \$7,000,000 in general obligation bond debt for paying the cost of renovations, expansion, upgrades and capital improvements to Centennial Hall, including upgrading the HVAC system, making improvements to the sound system, lighting system and technology, the interior flooring, furnishings and wall systems, expanding the lobby area, renovating and expanding break-out rooms, corridor and business center, adding an enclosed and heated corridor between Centennial Hall and the new arts and culture center and possible construction of new meeting rooms and offices in Centennial Hall. The total annual debt service costs, assuming an interest rate of 3.00%, will be \$600,000 for 15 years with \$6,000,000 of total debt service expected to be paid from the temporary two percent increase in the hotel-motel tax if approved by voters at this election and the remaining balance (\$3,000,000) to be paid from an annual property tax levy of approximately \$4 per \$100,000 of assessed value. If the temporary hotel-motel tax increase is not approved by the voters, debt service would require an annual property tax levy of approximately \$12 per \$100,000 of assessed value. This example of a property tax levy is provided for illustrative purposes only.

### PROPOSITION NO. 2 GENERAL OBLIGATION BONDS \$7,000,000

For the purpose of renovating and expanding Centennial Hall, including upgrading the HVAC system, making improvements to the sound system, lighting system and technology, flooring, furnishings and wall systems, expanding the lobby area, renovating and expanding break-out rooms, corridor and business center, adding an enclosed and heated corridor between Centennial Hall and the new arts and culture center and possible construction of new meeting rooms and offices in Centennial Hall within the City and Borough, shall the City and Borough of Juneau, Alaska, issue and sell its general obligation bonds, maturing within 20 years from their date of issue, in the aggregate principal amount of not to exceed \$7,000,000?

BONDS, YES ☐

BONDS, NO ☐

### PROPOSITION NO. 3 ADVISORY PROPOSITION TO PROVIDE A GRANT OF \$4,500,000 FOR THE NEW JUNEAU ARTS AND CULTURE CENTER (JACC)

#### Explanation

The Assembly asks for your advice whether to provide a grant of \$4,500,000 for the New JACC. If a grant is made in the current fiscal year, \$4,500,000 would be appropriated from the sales tax fund balance. The Assembly intends to replenish the draw on fund balance by reallocating the \$4,500,000 of 1% sales tax funds over the next three years that was originally programmed for Centennial Hall improvements, which the voters approved in 2017. The Assembly intends to replace the funding for Centennial Hall by issuing general obligation bonds to be paid back by raising the hotel-motel rental tax by two percent and a 0.04 mill property tax increase (~0.004% overall rate increase).

The existing City-owned arts and culture facility needs replacement and the grant would attract substantial additional private funds. The Assembly intends to require a contract with the partnership for the New JACC that includes at least the following grant conditions: (1) The voters recommend providing a \$4,500,000 grant at the election on October 1, 2019; (2) The CBJ grant funds shall not be released until the New JACC project has received or has legal pledges for 90 percent of project funding; (3) The grant expires on October 1, 2023, if the New JACC project has not received or does not have legal pledges for 90 percent of project funding; (4) The Manager shall negotiate a contract to encumber the grant funding; and (5) The Assembly may direct the Manager to add other terms and conditions that are in the public interest.

### PROPOSITION NO. 3 ADVISORY PROPOSITION TO PROVIDE A GRANT OF \$4,500,000 FOR THE NEW JUNEAU ARTS AND CULTURE CENTER (JACC) Should the City and Borough of Juneau provide a grant of \$4,500,000 to the New JACC for development of a new arts and culture center?

GRANT, YES ☐

GRANT, NO ☐

TURN BALLOT OVER TO CONTINUE VOTING



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Juneau, Alaska 99801

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## POSTAL CUSTOMER JUNEAU, ALASKA



### 2019 CITY & BOROUGH OF JUNEAU POLLING PLACES REGULAR MUNICIPAL ELECTION – OCTOBER 1, 2019

Precinct Number	Precinct Name	Precinct Location	Precinct Address
34 – 400	Auke Bay	UAS Recreation Center / aka "Charles Gamble Jr. - Donald Sperl Joint Use Facility"	12300 Mendenhall Loop Rd., Juneau
34 – 410	Juneau Airport Area	Nugget Mall	8745 Glacier Highway, Juneau
34 – 420	Lynn Canal	Auke Bay Ferry Terminal	13485 Glacier Highway, Juneau
34 – 430	Mendenhall Valley No. 1	Mendenhall Valley Public Library	3025 Dimond Park Loop, Juneau
34 – 440	Mendenhall Valley No. 2	Aldersgate United Methodist Church	9161 Cinema Drive, Juneau
34 – 450	Mendenhall Valley No. 3	Glacier Valley Baptist Church	3921 Mendenhall Loop Rd., Juneau
34 – 460	Mendenhall Valley No. 4	Shepherd of the Valley Lutheran Church	4212 Mendenhall Loop Rd., Juneau
33- 500	Douglas	Douglas Library	1016 Third Street, Douglas
33– 510	Juneau No. 1	APK - Alaska State Library, Archives & Museum Bldg.	395 Whittier Ave., Juneau
33 – 515	Juneau No. 2	Northern Light United Church	400 W. 11 <sup>th</sup> Street, Juneau
33 – 520	Juneau No. 3	Bartlett Regional Hospital	3260 Hospital Drive, Juneau
33 - 525	Lemon Creek	Alaska Electric Light & Power (AEL&P)	5601 Tonsgard Ct., Juneau
33– 530	North Douglas	Juneau Fire Station	820 Glacier Ave., Juneau

**The polls are open 7:00 a.m. through 8:00 p.m.**

If you are unsure where your polling place is, you can call the **STATE OF ALASKA POLLING PLACE LOCATOR number 1-888-383-8683**, enter your Social Security Number or your voter number when prompted, and you will be told where your polling place is located.

If you have questions regarding the October 1, 2019 CBJ Regular Municipal Election, please contact the Municipal Clerk's Office at 586-5278.