SPECIAL ASSEMBLY MEETING
THE CITY AND BOROUGH OF JUNEAU, ALASKA

August 20, 2018 6:00 PM

City Hall, Assembly Chambers
Special Assembly Meeting #2018-25; Immediately following Assembly Committee of the Whole meeting (6pm time is approximate)

I. CALL TO ORDER / ROLL CALL

II. AGENDA TOPICS

A. Introduction of Ordinance 2018-11(J) An Ordinance Appropriating to the Manager the Sum of $1,800,000 as Funding for the Juneau Housing First Collaborative (JHFC); Funding Provided by the Sales Tax Fund's Fund Balance, the Tobacco Tax Fund's Fund Balance and the General Fund's Fund Balance.

This funding is to provide match for the Alaska Housing Finance Corporation's FY2019 Special Purpose GOAL Round Notice of Funding Availability (NOFA) for supportive housing, issued May 24, 2018, with applications due on October 5, 2018. This funding opportunity was not anticipated and has a tight timeline for applications. This NOFA will provide grants, zero interest loans, tax credits and rental assistance to successful respondents who will acquire, rehabilitate, construct, or otherwise expand housing opportunities for Alaskans who have few, if any, housing options due to chronic homelessness, disability and / or histories that present barriers to accessing mainstream housing. These populations must require intensive support service delivery needs, though this is not a program to provide treatment or correctional facilities. The original Phase 2 request from Housing First included a $1.5 million grant and a $2.7 million loan. Based on experience from the first phase, the Assembly opted to provide a $1.8 million grant.

This ordinance was requested by the Assembly Committee of the Whole at its meeting on August 9, 2018.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

B. Public Hearing: Ordinance 2018-40 An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed $12,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition to the Voters at the Election to Be Held

Therein on October 2, 2018.

This ordinance authorizes placing on the October 2, 2018 general election ballot the question of issuing $12 million in fifteen-year general obligation bonds for the purpose of funding a variety of capital projects. The identified projects include:

· Renovations to Centennial Hall, including upgrading the HVAC system and expanding the lobby area;

· Construction and equipping of a portion of a new arts and culture center; and

· Construction of an enclosed and heated corridor between Centennial Hall and the new arts and culture center.

The temporary 1% sales tax approved by voters during the October 2017 general election will pay for $4.5 million of the debt service. Beginning in FY20 to pay off the remaining $7.5 million of debt and interest would require .15 mills in property taxes for debt service payments for 15 years. This amount of debt service would require an annual property tax levy of approximately $15 (.15 mills) per $100,000 of assessed value or approximately $59 for an average single family home (estimated 2018 value $393,000 per CBJ Assessor). The annual payment funded by property taxes would be about $719,000.

This proposal was discussed at the Assembly Finance Committee meeting on July 25, 2018 and at the Assembly Committee of the Whole meeting immediately preceding this August 20 Special Assembly meeting.

Whether to invest further in Centennial Hall and whether to support the New JACC project are policy questions that are before the Assembly. The City Manager has no recommendation at this time.

C. Public Hearing: Ordinance 2018-43(b): An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed $7,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition to the Voters at the Election to Be Held Therein on October 2, 2018.

This ordinance authorizes placing on the October 2, 2018 general election ballot the question of issuing $7 million in fifteen-year general obligation bonds for the purpose of funding capital projects. The identified projects include: renovations to Centennial Hall, including upgrading the HVAC system, making improvements to the sound system, lighting system and technology, making improvements to the interior flooring, furnishings and wall systems and

expanding the lobby area and construction of an enclosed and heated corridor between Centennial Hall and the potential new arts and culture center.

The temporary 1% sales tax approved by voters during the October 2017 general election will pay for $2.5 million of the debt service. The remaining $7 million of debt and interest would require .13 mills in property taxes for debt service payments. This amount of debt service would require an annual property tax levy of approximately $13 (.13 mills) per $100,000 of assessed value or approximately $51 for average single family home (estimated 2018 value $393,000 per CBJ Assessor).

The annual payment funded by property taxes would be about $635,000. This proposal was discussed at the Assembly Finance Committee meeting on July 25, 2018 and at the Assembly Committee of the Whole meeting immediately preceding this August 20 Special Assembly meeting.

Whether to invest further in Centennial Hall and whether to support the New JACC project are policy questions that are before the Assembly. The City Manager has no recommendation at this time.

D. Public Hearing: Ordinance 2018-39 An Ordinance Increasing the Hotel-Motel Room Tax by Two Percent and Providing for a Ballot Question Ratifying the Increase.

This ordinance would place the question of increasing the hotel-motel room rental tax from seven to nine percent on the ballot at the next regular municipal election. In accordance with a request proposed by the Assembly Finance Committee at its meeting on June 13, 2018, the increase would be permanent, with an effective date of January 1, 2019.

The hotel-motel room rental tax was last increased in 1988. The increased rate authorized by this ordinance would initially generate an estimated $440,000 per year in additional revenue. It is the intent of the Assembly to use this increase in the hotel-motel room rental tax to provide partial funding for the construction of capital improvements for the Juneau Arts & Culture Center and as funding for improvements to Centennial Hall, visitor information, marketing services, and other tourism and visitor services and facilities. Additionally, if approved by the voters, proceeds could be used to help pay for debt service relating to the new JACC or Centennial Hall.

This proposal was discussed at the Assembly Finance Committee meeting on July 25, 2018 and at the Assembly Committee of the Whole meeting immediately preceding this August 20 Special Assembly meeting.

This ordinance is a tax policy issue. The City Manager has no

recommendation at this time.

E. [Documents provided at the meeting]

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

IV. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org