# ASSEMBLY STANDING COMMITTEE
# COMMITTEE OF THE WHOLE
# THE CITY AND BOROUGH OF JUNEAU, ALASKA

May 2, 2022, 6:00 PM.
Assembly Chambers/Zoom Webinar/YT Livestream
https://juneau.zoom.us/j/95424544691 or 1-253-215-8782 Webinar ID: 954 2454 4691

## AGENDA

**I. CALL TO ORDER**

**II. LAND ACKNOWLEDGEMENT**

**III. ROLL CALL**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**A. January 24, 2022 Committee of the Whole DRAFT Minutes**

**VI. AGENDA TOPICS**

**A. 1% Sales Tax Projects**

**B. Sales Tax on Food**

**C. Election Code Changes**

**D. Street Vendor Map**

**E. JPD/CCFR Armored Vehicle**

**VII. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY STANDING COMMITTEE**
**COMMITTEE OF THE WHOLE**
*DRAFT* Meeting Minutes – January 24, 2022

## I. CALL TO ORDER

The Assembly Committee of the Whole Meeting, held virtually via Zoom, was called to order by Deputy Mayor Gladziszewski at 6:00p.m.

## II. LAND ACKNOWLEDGMENT

Mayor Weldon acknowledged that the City and Borough of Juneau is on Tlingit land, and we wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh*!

## III. ROLL CALL

**Assemblymembers Present:** Maria Gladziszewski, Wade Bryson, Alicia Hughes-Skandijs, Greg Smith, Christine Woll, 'Wáahlaal Gíidaak, Michelle Hale, Carole Triem, and Mayor Beth Weldon.

**Assemblymembers Absent:** None.

**Staff Present:** City Manager Rorie Watt, Deputy City Manager Robert Barr, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Deputy Clerk Diane Cathcart, Port Director Carl Uchytil, Tourism Manager Alix Pierce.

## IV. APPROVAL OF AGENDA

The agenda was approved as presented.

## V. AGENDA TOPICS

### A. North Douglas Rezone – Ordinance 2021-26(am)

Chair Gladziszewski introduced Systemic Racism Review Committee Chair Lisa Worl and Vice Chair Grace Lee to the meeting. She acknowledged that this was the first time the committee had identified a piece of legislation as potentially perpetuating systemic racism. She thanked Ms. Worl, Ms. Lee, and the SRRC as a whole for their efforts in the review process. She asked Ms. Worl if she might be able to provide a recap of the process and discussion that had occurred at the SRRC meeting with respect to this ordinance.

Ms. Worl explained the process the SRRC used for this and other legislation and gave an overview of the timing for their review of this ordinance. They used their Legislative Review Tool to determine if this ordinance had the potential of perpetuating systemic racism, which the committee found to be true. The SRRC then considered the impacted neighborhoods, and the ordinance's potential to benefit a specific group at the detriment of another group.

Ms. Worl noted key concerns amongst the committee included a potential loss of housing due to the rezone, and especially if it removes any housing. She said they also questioned if the public comment process included enough input and if it came as a detriment to any particular groups, especially those groups that may have been lower income groups.

Ms. Lee provided a summary of the discussion at the SRRC meeting during the review of Ordinance 2021-26(am). She clarified that some committee members argued in support of the ordinance while others argued against it. Ultimately, the committee reached the conclusion that systemic racism had been built into the proposal. She also explained that the information provided to the committee described the intent behind the developer's proposal was to build boat condos. With that information, the SRRC decided to request that Ordinance 2021-26(am) be receive additional public input and context regarding the proposal.

Chair Gladziszewski turned the virtual gavel over to Mayor Weldon due to technical difficulties.

Mr. Bryson mentioned the original ordinance proposed rezoning this property as General Commercial, which would have allowed for fifty housing units per acre, the maximum density for housing. He said that he was in favor of this decision, and saw it as an opportunity to allow for increased affordable housing. He asked Ms. Worl to explain the committee's concerns with this ordinance, as it appears to adhere to the SRRC goals of achieving higher density housing.

Ms. Lee clarified that the SRRC was told that this proposal would be used to build shelters for boats, and that the development of higher density housing would not be likely.

Ms. Worl agreed with Ms. Lee's comment, and added that a rezone ordinance is not conditional and does not have a specific use identified; this allows for any allowed uses within the zoning to be eligible, and does not ensure that housing will be built. She also recalled there being no members of the public at the SRRC meeting to testify on the ordinance.

'Wáahlaal Gíidaak mentioned that the SRRC at one point expressed their intention to have a discussion with the developer in a joint meeting, and asked if that joint meeting was ever held.

Ms. Worl said that SRRC members, the Clerk's Office, and Deputy City Manager Robert Barr were all present at the meeting, but the developer did not attend. She clarified that the meeting was given sufficient public notice, however committee did not receive any public comment at the meeting.

Mr. Watt shared that he did not attend that meeting and the developer was traveling at the time, but Mr. Barr was present. He explained that zone changes are always a little tricky, as the Assembly's role is to determine if zoning is appropriate for a particular area. He added it is sometimes hard to remove the zoning process from the applicant and what they might proposing. In this case, the applicant asked for a more expensive zoning district, which could include higher density housing – but this would not be guaranteed. Mr. Watt advised the Assembly to avoid predicting the developer's intent, and instead identify the zoning district that would be best suited to that neighborhood and the Assembly's goals for that portion of the community.

Ms. Hale said she would like to see a completed SRRC Review criteria form in the future as it would provide additional context. She also addressed the public notice aspects, specifically when there is a particular individual or applicant being reviewed by the committee.

Ms. Hughes-Skandijs asked Mr. Palmer if Conditional Use Permits could be forwarded to the SRRC for review. Mr. Palmer explained that would not occur, as Conditional Use Permits are not legislation and only legislation is forwarded to the SRRC.

Ms. Hughes-Skandijs thanked Ms. Worl and Ms. Lee for their work on the SRRC. She noted that the SRRC recommendation provided examples of ways to fix the ordinance, rather than to "kill" the ordinance entirely. Ms. Hughes-Skandijs asked them to explain what led to the decision to recommend more public comment, considering that this particular ordinance has received an unusually significant amount of public process thus far.

Ms. Worl explained that the committee's concern about the public process was due to the abutters' notice, which they found to be limited in scope. She clarified that the intent of the recommendation was to receive a broader input, rather than on this ordinance in particular.

Ms. Lee added that this was the first instance of the SRRC forwarding a recommendation related to legislation. She felt that recommending the Assembly to "kill" the ordinance would be a step too far, especially considering the committee primarily wanted to know the input of the community.

Ms. Woll mentioned that she was the Assembly Liaison to the SRRC; though she was unable to attend the meeting, she did review the recording and Mr. Barr's summarization. She said that it would be unreasonable for the committee to fill out the entire form, as it is meant to be used as a tool to guide their discussion. Ms. Woll felt that Mr. Barr's summary had captured the discussion at the meeting fairly well.

Ms. Hale informed the Assembly that the Community Development Department provided the information about this ordinance to the SRRC at their meeting, and recommended against this rezone. She questioned if it would benefit the committee for the Assembly to consider how information is presented at their meetings, and who is responsible for providing presentations.

Ms. Gladziszewski said that ways to engage the public have been a constant point of discussion over the years and even with all the various methods used: publication, abutters notices, signs, social media posts etc…, there always seems to be a lack of public comment and participation or engagement. She commented that if the Manager is going to summarize an hour long meeting, the SRRC needs to verify that is an accurate summary of the meeting and maybe having a formal motion taken and voted upon, similar to what is done with the Planning Commission and a

Notice of Recommendation forwarded from the committee, they don't have to rely on just the staff's interpretation of what the SRRC's action was.

Mr. Smith asked if the extensive amount of public process that has already been conducted would be sufficient for this ordinance. Ms. Worl noted that some meetings did not allow for public comment, and others only received public comment from two individuals. Ms. Worl noted that in just speaking for herself, she would suggest they also look at the language that is being used to convey the information to the public regarding what is happening. She said that if she received a postcard stating it was an abutters notice and that there was something being rezoned, she may not understand that as much as something that said there is a public process that a person may want to be involved with that may affect the development and density of housing and development occurring within their neighborhood and the ways they may be able to participate in that process.

Mr. Bryson noted that Mr. Arndt was attending tonight's meeting, and suggested allowing him to speak to the ordinance.

Mayor Weldon noted that Mr. Arndt has already addressed this topic a number of times, and she did not want to show preferential treatment by bringing him in to speak another time.

Additional discussion took place and Mayor Weldon expressed her appreciation to the SRRC for holding a special meeting to consider this ordinance, and she understood that it was a difficult task to complete within a one hour timeframe. She asked when they are working on an issue, if they are identifying problems if they could also provide recommendations for possible cures for the problems.

Ms. Worl said that in speaking only for herself, given the time they have and the tools they have, they can only speak to the ordinance. She said that as an individual who works with equity and education – you cannot isolate policy from the practices. Who is involved and who oversees housing? There isn't currently a housing committee so it makes sense that the Assembly is struggling with that.

Ms. Lee said, in speaking for herself, said she was not aware that they were expected to come up potential solutions to the review and recommendations. She said that would need more time and very likely a need to expand the scope of the committee's charge.

Mayor Weldon said she was under the impression that Step 4 was making recommendations.

Ms. Worl agreed with the notion that the review tool could use some changes, and mentioned that the tool was still under development when this ordinance was introduced to the Assembly. It does end with Step Four – recommend additional public input and that is likely one that they would have checked. In speaking to the limited timeframe and the way this was brought forward, it called into question the processes and that is an important part in how the SRRC might be looking at things in the future.

*The committee took a recess at 6:59p.m. The meeting resumed at 7:04p.m.*

**MOTION** by Ms. Woll for the Committee of the Whole to forward Ordinance 2021-26(am) to the full Assembly for public hearing and for a vote.

Ms. Woll spoke to her motion, saying that setting this for public hearing would address the SRRC's request for additional public input. She clarified that her passage of this motion does not necessarily mean that she supports the ordinance itself. Ms. Woll also expressed interest in inviting the SRRC back for a discussion regarding public process for meetings going forward.

Ms. Triem asked if the ordinance being forwarded to the Assembly was the same one that was previously amended by Mr. Jones. The Assembly confirmed that was correct.

*Hearing no objections, the motion passed by unanimous consent.*

Mayor Weldon thanked the members of the SRRC for attending and for their work and she asked if the SRRC could provide written information (other than minutes) in the future on how the committee reached their recommendation for inclusion in the Assembly packets.

**B. Waterfront Plan Update – Tourism Manager Alexandra Pierce Presentation**
Tourism Manager Alix Pierce gave a presentation detailing the proposed amendments/updates to the Long Range Waterfront Plan.

*The LRWP is an infrastructure plan and guidebook to manage and focus waterfront change along four overarching goals identified by the CBJ:*

1. *Enhance community quality of life.*
2. *Strengthen tourism product offerings as well as downtown retail, entertainment, residential and service activities.*
3. *Improve Juneau's image and attractiveness for investment.*
4. *Recognize all current waterfront uses.*

She noted that the LRWP was developed in 2004, with a 25 year planning horizon. The focus of the current proposed amendments are to Area B of the LRWP, specifically the tidelands portion of Area B. This was the only portion of the waterfront with vacant land that would be subject to potential development in the future. The public input during the time the plan was developed was strongly not in favor of a new cruise ship dock.

The LRWP Amendment criteria requires a public process, states that the capacity of the port should not exceed five large ships (greater than 750 feet) at berth or at anchor, and should address a list of nine issues through design.

An amendment to the LRWP would be limited to the tidelands portion of the Subport property, uplands development would conform to current MU2 zoning and the LRWP.

Ms. Pierce highlighted the following recommendations from the Visitor Industry Task Force:

- *One larger ship per day using one side of the facility.*
- *Maximum of five larger ships in port per day.*
- *No hot berthing at new facility.*
- *No larger ships allowed to anchor as 6th ship in town.*
- *High quality uplands development for community and visitors.*
- *Year round development orientation.*
- *CBJ manages dock to some extent.*
- *The dock is electrified.*

She also noted that in the recent survey, 56% of survey respondents supported constructing a new cruise ship dock at the subport with 33% of respondents were opposed.

She said that the proposed Appendix B update to the LRWP was designed to inform the Conditional Use Permit evaluation. The VITF recommended removing the Planning Commission from the review process for the Long Range Waterfront Plan amendment to avoid creating a conflict with its upcoming Conditional Use Permit review and staff concurs with that recommendation. She said that proposals for subport development should be evaluated against the criteria stated by the VITF and the LRWP.

Ms. Pierce noted that there had been a LRWP public comment meeting held January 11 and staff is currently taking public comment via email to until January 31. She then went on to explain the proposed amendment text, appendices, and the next steps. Mr. Watt explained that the above recommendation from staff to not have the Planning Commission review this amendment is not done lightly and that this is a good approach and was weighed in by Mr. Palmer, Ms. Maclean, Ms. Pierce, and Mr. Barr.

Ms. Hughes-Skandijs asked if staff could talk about the process and if they do not send it to the Planning Commission, under what circumstances where & when would they might otherwise refer it to Planning Commission normally.

Mr. Palmer explained that there is a big difference between what the Assembly as COW or as the Assembly is doing vs. the role of the Planning Commission. When the Assembly sits in a legislative or planning capacity, it does so as a policy setting body. That is very different from the role the Planning Commission takes on when it is weighing in on a CUP, which they would take from a neutral stance.

He said the other alternative would be to send the text amendment through the Planning Commission and the Planning Commission would have to advise that they could not consider it with respect to a particular parcel or project.

Mr. Smith noted that in Ms. Pierce's memo and in the LRWP, amendments of the plan should go through a similar process used in the development of the plan. He said that initial plan component would have included public comment and Planning Commission review of the plan and he asked how that may have been incorporated into this process.

Ms. Pierce said that process was accurate and that the public process that they have gone through with this included the work of the VITF. She said that the with respect to the amendment to the LRWP, the Planning Commission would make a recommendation to the Assembly for approval or denial but the Planning Commission would not be the ultimate decision maker. She noted that modes of public engagement have changed a lot since 2004 and that this process is different for doing a rather surgical text amendment vs. how the full LRWP plan was developed in the first place. Coming up, there will be a lot of opportunity for public comment and public participation during the development of this amendment as well as any CUP that might go before the Planning Commission.

Additional discussion ensued with Mr. Smith stating that he thought the January 11 public meeting was very well done. He asked if there was any plan for capturing the summary of the questions and comments and for sending those out to the Assembly. Ms. Pierce said they could summarize the Q&A and the comments. She said that she will be providing copies of the public comments that are received when they submit the text amendment to the Assembly for consideration.

'Wáahlaal Gíidaak asked Ms. Pierce to clarify that she was strictly talking about amending the LRWP for this one component and not talking about changing the CUP process before the Planning Commission.

Ms. Pierce clarified that this is a very early, preliminary step and is just the proposal to amend the LRWP. That would create more opportunities for development on the subport site regardless of who the developer is. She said it doesn't exempt the Planning Commission from not hearing anything down the road ,rather, this allows for more tools being given to the Planning Commission when they do hear any CUP for development on the entire site. The next step is that the Assembly will evaluate and consider the tidelands lease. Amending the text of the LRWP does not guarantee any approval of a CUP.

Ms. Hughes-Skandijs said that while she doesn't have any questions at this time, she did want to comment that normally, she would never be one to remove the Planning Commission from considering a plan amendment but in this case, she thinks it is actually a good idea.

**MOTION** by Ms. Gladziszewski to remove the Planning Commission from the review of this particular amendment to the LRWP and it is her understanding that this will be introduced at the February 7 Assembly meeting.

**Amendment #1** by Mr. Smith to refer the amendment to the COW before it goes to the Assembly for formal action.

Mayor asked Mr. Smith if his amendment was on the motion to remove the Planning Commission from the amendment process or was it an amendment having the COW review the text amendment before it went to the Assembly for action. Mr. Smith said it was the later. Mayor Weldon ruled Mr. Smith's amendment out of order at this time.

*Hearing no objections, Ms. Gladziszewski's main motion passed by unanimous consent.*

**MOTION** by Greg Smith that there be an opportunity for the public to testify at a COW meeting on the proposed amendment to the LRWP prior to the Assembly action.

Assemblymembers then discussed the public hearing process. Mr. Watt clarified that there has been a large amount of public comment, citing the ongoing written public comment period that lasts through January 31. He said that while there has been a lot of public process, this is a big deal and if the Assembly feel like there needs to be more public engagement, they can provide for that.

**Amendment #1** by Mr. Smith to change his original motion to state "additional Public Comment at a COW or Assembly meeting prior to action being taken by the Assembly."

Objection by Mr. Bryson.

Additional discussion re: timing and whether to have additional public hearing and what the upcoming COW and Assembly meeting dates were that are currently on the calendar.

Mr. Bryson spoke to public process so far and especially all the comment received at the VITF.

Ms. Hughes-Skandijs spoke to this topic in particular vs. VITF broad scope review of tourism. Due to the major decision that this would affect the community, this is not a presumptive done deal. It would behoove them to allow for an extended public comment period.

Ms. Woll said that she felt more public input is important and what she isn't clear about now, they have discussed the public process but they have not discussed the LRWP amendment itself and what it means. She said she imagines the Assembly will have a lot of questions on this topic.

Mr. Watt said that the amendment was drafted and their packet. His thinking was to introduce it, have public hearing, and then the Assembly could decide on the text amendment, refer it back to committee if there were more questions, etc… Expressed concern that they are not providing the space for the Assembly to get their questions answered and to put in the work and have the important discussions regarding this.

Mr. Smith echoed Mr. Watt's comments and questioned if this has received enough public process. When does the Assembly get to discuss the many questions they have on this.

Mr. Watt said they could have this again at the COW on February 14, with our without oral testimony. There is public comment currently being taken via written comment period.

Ms. Gladziszewski said she thought that was the reason they were having this discussion now was to get their questions answered.

Ms. Triem said it would be helpful to have the discussion and questions after they have had the chance to read and hearing the public comment.

**Roll call Vote on Motion for Additional Public Comment at the COW or Assembly meeting prior to action being taken by the Assembly:**
Ayes: Smith, Triem, Woll, Waahlaal Giidaak, Hughes-Skandijs, Gladziszewski
Nays: Bryson, Weldon
Motion passed. Six (6) Ayes, Two (2) Nays.

*The Committee of the Whole took a recess at 8:00p.m. The meeting resumed at 8:05p.m.*

Assemblymembers then discussed tentative dates for this ordinance as follows:
2/7/22 Regular Assembly Meeting – Introduction
2/28/22 Regular Assembly Meeting - Public Comment
3/7/22 – COW Worksession – for Assembly discussion
3/14/22 – Regular Assembly Meeting – for additional Public Hearing and Assembly Action

Ms. Pierce then proceeded to answer a number of questions from Assemblymembers about the LRWP map amendment.

Ms. Hughes Skandijs asked if the conditions in Appendix B were required in order to build the dock.

Ms. Pierce said that the Planning Commission, through the CUP process, is required to review for conformity with adopted plans. The Adopted Plans would be evaluated when the Planning Commission is reviewing any proposed plans. She gave specifics such as Appendix B would be evaluated vs. what is in the CUP and the planner would make recommendations as to whether or not it meets the uses of an adopted plan.

Ms. Hughes-Skandijs noted that the United States Coast Guard has not made a formal recommendation yet. She asked if they had any idea as to when the USCG might make a formal determination.

Ms. Pierce confirmed that USCG has not made a formal determination and unfortunately, they will not make a determination until plans are submitted for approval. That being said, she does have some idea as to when USCG might make their determination.

Mr. Watt said that USCG Captain White gave a lot of time at the VITF and was very elusive as to when or how they would restrict maritime navigation. Shoreside interest is not the way the USCG looks at things. USCG will always be open to new information and new ideas. One of the threads from the VITF was how to achieve community goals through party negotiations.

Ms. Woll asked if the Assembly would be able to amend the appendix to allow for a sixth ship to be docked at anchor.

Ms. Pierce said that as Mr. Watt alluded to, there are a number of mechanisms that could be used. They may be able to do something via ordinance. The five ship limit has been made very clear in many of the various documents, it could be done via a Memorandum of Agreement or other mechanism.

Mr. Watt said that he doesn't think we can rely on the USCG for making that determination. He said that negotiating with industry is a piece of it. When thinking about the port of Juneau, the shoreside needs some support infrastructure and the Assembly may address it from a negotiation perspective. He noted that there are a lot of things CBJ should contemplate. He has maintained that CBJ's greatest strength lies in the tidelands lease process. The question to the Assembly – is it is in the community's interest to lease tidelands and that will make the final determination as to what happens in the end… if they ever get to that point.

Ms. Woll said that she appreciates Mr. Watt and Ms. Pierce's comments and would like to hear from Mr. Palmer as to whether there is a legislative option?

Mr. Palmer said that yes, there was a legislative option, it is up to the Assembly if that is something they want to wrap into the LRWP discussion.

Ms. Gladziszewski said that this is the question she was also wanting to hear about. The schedule is coming out for years in advance and the Assembly shouldn't be taking any longer in determining the five ship issue. This is one of the things to be moved up on the priority list of the Tourism Manager. The cruise ship companies are already working on the 2024 cruise season schedule.

Ms. Gladziszewski ready to make a motion to decree that there is a five ship limit through either the legislation or other method.

Mr. Watt said that it is no surprise and it would warrant a complete meeting of its own to have a lengthy discussion on this one. Mayor Weldon said that would need to be at a COW and not while Ms. Gladziszewski is on vacation.

Ms. Triem asked the status of the MOA as she thought Mr. Watt was already working on that. She thought they could not legislate and so would like to discuss with Mr. Palmer at another time.

Mr. Watt said they have worked on this MOA for many months. He said that he hopes they will see MOA #1 and that they will be able to begin MOA#2, MOA #3. He hopes to have more info to the Assembly really soon.

Mr. Smith asked Ms. Pierce regards to drawings/figures on the package pages 20 and 21 where do these drawing/figures get reviewed during the CUP process.

Ms. Pierce confirmed that will be part of the CUP evaluation where they look at all aspects including view sheds, etc… she also noted that the Assembly has received updates from Mr. Uchytil's plan for a small cruise ship dock at the Seadrome. She said that some of that language could also conform to the intent and language of the plan. That is an option there.

**C. Proposed Regulation Change to 05 CBJAC 15.030 (Dock Charges)**
Mr. Watt described this proposal as an unusual process for regulation. In Spring 2021, the City Manager recommended the Assembly postpone action on these regulations. He gave information related to the differences between transient vessels (such as yachts) vs. those of larger cruise ships. He said they are bringing this back to the Assembly and that Mr. Uchytil was available to answer questions.

Ms. Pierce said that this approach does not mean that larger cruise ships are not being charged fees but they need more info on the larger ships before making recommendations on those and they didn't want to hold up the rate changes to the smaller cruise ships and yachts.

Ms. Woll said that she appreciates the memo and the opportunity to use the rate study to make a determination on the larger cruise ships, would it make sense to wait for that study before implementing rate changes on the smaller ships.

Mr. Uchytil said that last year, they saw $175,000 that would have been subject to the fee increase. That was twice as much than what they saw the previous year. They know the Docks & Harbors fees are less than those imposed by the private docks and he thinks that now is the time to implement these increased fee regulations.

Mr. Smith asked how this would not be applied to cruise ships.

Mr. Uchytil explained that the way the dockage fees are calculated are based on size of the vessel – over 200ft vs. under 200ft. Those over 200ft would be exempt from taxes.

Mr. Watt said that what is in the packet is the proposed regulation language from last year. The new regulation language would be published and sent out for public comment in the next month or so.

Mr. Watt then answered a number of questions from Assemblymembers regarding the different rates for the different facilities. He also explained that under the settlement agreement with CLIAA, they agreed not to increase the MPF for a certain period of time. Right now, there is a

$5/per person Marine Passenger Fees (MPF), $4/per person Port Development Fees, plus the State MPFs and noted that Ms. Hughes-Skandijs is correct that that agreement will end in March 2022.

Ms. Hughes-Skandijs asked for clarification of head tax vs. dockage fees and said that she is looking forward to the results of the rate study. She approves of CBJ working collaboratively with the industry but she feels the rates that are ultimately decide upon by the Assembly.

‘Wáahlaal Gíidaak said that she would like to have seen a map as to where these docks are located. She said that she was also confused as to what is referred to as fishing vessels vs. yachts.

Mr. Uchytil listed the various city docks they are referring to in respect to these fees. He spoke to the fee that commercial vessels use at the IVF (intermediate vessel float).

Ms. Pierce then shared her screen showing the docks as they appeared in Google Earth. They pointed out the IVF the Seadrome Dock.

Mr. Smith expressed concern regarding the increase of rates for independent tourists vs. the cruise ship industry.

Mr. Watt explained the differences between MPF that are paid for by cruise ships vs. no fees from other smaller vessels.

**D. Legislative Priorities List**

The renumbered list in the packet that now includes those priorities from members who had not previously scored their priorities. Ms. Gladziszewski suggested that they look at the top five list as well as the full list.

**MOTION** by Ms. Gladziszewski use this as a priority list for all things at the state and federal legislative levels. *Hearing no objection, motion passed by unanimous consent.*

**VI. Staff Reports**

**A. Indemnification (Information Only)**

Mr. Watt said this was a very frustrating legal issue that they will be working with the legislative delegation and that it is a challenging situation that is hampering any development, in particular any housing development.

Mayor Weldon said they did meet with the new DOT Commissioner when he first began and discussed this issue.

Ms. Gladziszewski mentioned she has heard that the DOT Commissioner has said they have not had any problems in Anchorage and Fairbanks. So she was wondered what other communities are experiencing.

Mr. Palmer explained that there are other communities in Alaska also struggling with this and trying to work on these together.

Ms. Gladziszewski if the Alaska Municipal League (AML) has been involved at all.

Mr. Watt said that AML has not yet been involved but it would be a good topic for discussion at AML and for communities to work together on collaboratively.

‘Wáahlaal Gíidaak asked if this was just something recently changed during the last DOT Commissioner. Mr. Watt explained this as something that has been going on for quite some time, remembering Judge Mead identified it when she was CBJ City Attorney. This is another example of the state trying to shift costs from the state to municipalities.

‘Wáahlaal Gíidaak asked if this was regulatory shift or legislative shift.

Mr. Palmer clarified this was a regulatory shift and there is a simple solution that could be achieved via regulations.

**VII. ADJOURNMENT**

*There being no further business to come before the Assembly, the Committee of the Whole meeting was adjourned at 9:01p.m.*

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

TO: Deputy Mayor Gladziszewski and Assembly Committee of the Whole DATE: April 29, 2022

FROM: Rorie Watt, City Manager

RE: 1% Sales Tax for Projects

The Assembly should be thinking about what process it needs to contemplate a list of expenditures for a possible 1% sales tax extension.

Of our 5% sales tax, 1% is temporary and was overwhelmingly approved by the voters (5425 to 1561) at the October 2017 municipal election. The approval extended the sales tax for five years and is set to expire on September 30, 2023.

Informally known as variations of "1% Project Sales Tax", this sales tax has been sent to the voters for renewal for at least thirty years. Each time, the Assembly has provided a list of projects that would receive funding if the voters approved the sales tax extension.

Attached is the memorandum and spreadsheet that the Assembly received at the Saturday Finance Committee work session on March 12 meeting also at this link:

https://packet.cbjak.org/CoverSheet.aspx?ItemID=11515&MeetingID=1686

This list was derived from the Assembly's legislative priorities and its goals. Some questions to consider:

Does the Assembly feel the need to hear from Departments and Enterprise Boards, or has the CIP and legislative priority list been sufficient?

Is the draft from 3/12 sufficient as a working document, or would the Assembly prefer a different starting point?

Would the Assembly like some type of ranked choice process to help navigate the different individual priorities and likely different preferences for different funding levels?

Would the Assembly prefer to take up this topic in scheduled COW's or prefer to dedicated a special meeting or two?

Please note that items for the fall municipal ballot must be adopted by the regular Assembly meeting on **August 1, 2022** (which means that an Ordinance must be introduced by **July 11**).

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

TO: Chair Triem and Assembly Finance Committee DATE: March 10, 2022

FROM: Rorie Watt, City Manager

RE: One Time Funding Opportunities

At this time, the Assembly has a remarkable ability to provide funding to a number of worthy purposes and projects. At hand are the following:

1. **Fund Balance** – Currently, the Assembly has the ability to allocate $20M-$23M of fund balance.

2. **1% Sales Tax** – In the fall, it will be time to renew the temporary 1% Sales Tax, presumably for another 5 years. This would net $55-60M that is available for capital projects or other one time uses.

3. **General Obligation Bonds –** Our current debt is low and is rapidly coming off the books. Over the next five years, CBJ has the ability to incur $25-$50M of debt without increasing the traditional debt mil levy.

In many cases, these three fund sources are more or less suited for particular funding needs.

I advise the Assembly to agree on a process for allocating these funds in a coordinated manner. Absent an agreed upon process, we will face continued ad hoc requests and ensuing considerations. In my advice, the Assembly should allocate funds that philosophically accomplishes these concepts:

A. Meets Assembly adopted goals.
B. Funds Assembly adopted legislative funding requests.
C. Funds capital projects that cannot be accommodated in the annual CIP.
D. Reduces ongoing operating costs.
E. Provides funding now for needs that are certain to require future funding.
F. Takes Pressure off of Future Assemblies – provide funding now that we are certain will be required.

I have attached a number of documents to assist in your thinking and planning, they include:

i. Assembly Goals
ii. Assembly Legislative Priorities Synopsis
iii. 2017 1% Sales Tax Extension (ballot information)
iv. 2012 1% Sales Tax Extension and GO Bonds (ballot information)
v. Memo to PWFC from 11/29/21
vi. Memo to AFC from 2/1/22 (aka the "Straw Dog" memo)
vii. Summary of Fund Balance from Finance Director

**Recommendation:**
Agree on a process. I recommend that you consider the attached spreadsheet that attempts to assign funds in accordance with our stated goals and a number of operational needs.

I recommend that the goal for this meeting be to try to agree to a draft allocation of $20M of fund balance, forward an Ordinance to the Assembly for action. This action can be informed by preliminary thinking about the 1% sales tax and/or bond projects.

**<u>Notes/Comments/Opinions on Funding Contenders (alphabetical, not prioritized):</u>**

**ABP –** Hit by construction cost inflation. Recommend we maintain the same scope of facility work, phase in the work as the construction market allows, provide inflationary funding.

**Affordable Housing Fund** – Ranks very high and repeatedly in Assembly goals.

**Airport -** Has substantial CARES Act funding reserved (~$15M). They have sufficient funding to address their capital project needs.

**BRH** – Has fund balance to pay for desired capital project needs.

**Capital Civic Center** – Next step is to complete 35% plans, secure federal, state or foundation funding.

**Comprehensive Plan** – Fund through the operating budget.

**Docks** – Projects can be paid for with passenger fees (larger ones like Dock Electrification will need a financing vehicle).

**Eaglecrest –** Has no current fund source to pay for projects. Unclear where and how installation of the gondola will be funded (roughly $8M)

**Federal Match** - Assembly may prefer to reserve funds in Fund Balance or put funding directly in projects.

**General Fund Departments** – Rely on infrequent opportunity of 1% or GO bonds. Departments and programs include: Parks, Trails, Deferred Building Maintenance, Sportsfields, Police, Fire, Streets, Transit, RecycleWorks, Libraries, Museum,

**Harbors** – Has no fund source that they control for projects. Needs FB, 1% Sales Tax or grants.

**Information Technology –** CBJ is a diverse organization with many IT needs. We must keep apace with cyber security and system modernization. We need to think about these costs as CIPs, they don't fit in the traditional operating budget framework.

**JPD Radio System** – JPD owns and maintains a system of radios that is at end of life. A consultant report estimates new system costs in excess of $12M. The Assembly needs an update on this need and a discussion of potential options. No scenario where we won't need to incur significant costs. Project may be a good candidate for grant funding.

**New City Hall** – One way or another we are going to spend funds on City Hall. It may be a renovation of the current building (not recommended) or it may be a property purchase and remodel or a new build. Recommend putting funds now into the project.

**Restricted Budget Reserve** – By policy, should be increased by about $2M to achieve 2 months of operating cost reserves. A RBR that meets this threshold should make the Assembly more comfortable in having a lower general fund fund balance.

**RecycleWorks** – Reliant on funding from Assembly/Fund Balance

**School Facility Deferred Maintenance** – Due to avoidance of constitutional duty of the State, no other source but the Assembly for these facilities. Article 7.1 of the State Constitution: *"The legislature shall by general law establish and maintain a system of public schools open to all children of the State"*. I do have concerns about school age population trending (following up a bit on Monday's discussion) and will schedule deeper consideration of such for a future Joint Assembly/JSD facilities Committee.

**Teal Street Project –** Hit by the same construction inflation as all CBJ projects. It's a great project for the community, I'm sympathetic to additional funding as their good work greatly benefits the community and CBJ operating Departments.

**Water & Wastewater** – The Utilities can pay for projects with user rates. I'm not adverse to supporting the utilities with GF, but I am very opposed to any action that results in CBJ holding down utility rates. In the 90's and 00's, CBJ did not appropriately increase fees and the utilities lost significant financial ground to inflation and Assembly driven system growth costs, resulting in multi-year rate shock to utility users. We must keep utility rates apace with inflation or we will be back in a hole. One time money is not particularly helpful to the utility costs as their costs are recurring every year.

# Assembly Goals 2022

Assembly Goals set at December 4, 2021 retreat

## 1. Housing - Assure adequate and affordable housing for all CBJ residents

| | AA* | Implementing Actions | Responsibility | *Notes:* |
|---|---|---|---|---|
| A | P | Revise and improve Title 49 to facilitate housing | Assembly, Planning Commission, Manager's Office, CDD | |
| B | P/F | Implement projects & strategies that advance the goals of the Housing Action Plan | Assembly, Manager's Office | |
| C | P/F/O | Continue a robust use of the Affordable Housing Fund and its sustainability | Assembly, Manager's Office | |
| D | P/F | Reduce barriers to downtown housing development | Assembly, Manager's Office, CDD | |

## 2. Economic Development - Assure Juneau has a vibrant, diverse local economy

| | AA* | Implementing Actions | Responsibility | *Notes:* |
|---|---|---|---|---|
| A | F/O | Update the Comprehensive Plan | Assembly, Planning Commission, Manager's Office, CDD | |
| B | O | Adopt and implement strategies developed by the Visitor Industry Task Force to mitigate impacts & increase economic benefits of tourism | Assembly, Manager's Office, Docks & Harbors | |
| C | P/F/O | Examine options for a tourism governing structure that mitigates impacts & increases economic benefits of tourism | Assembly, Manager's Office, Docks & Harbors | |
| D | P/F/O/S | Implement project strategy for Juneau Economic Plan, including revitalizing downtown, with regular updates | Assembly, Manager's Office | |
| E | F | Explore financing for the Capital Civic Center | Assembly, Manager's Office, Finance | |
| F | P/F/S | Support Eaglecrest Summer Operations Task Force & self-sufficiency of Eaglecrest | Assembly, Manager's Office, Eaglecrest | |
| G | P/F | Pursue and plan for West Douglas and Channel Crossing | Assembly, CDD, Planning Commission, Manager's Office | |



## 3. Sustainable Budget and Organization - Assure CBJ is able to deliver services in a cost efficient and effective manner that meets the needs of the community

| | AA* | Implementing Actions | Responsibility | *Notes:* |
|---|---|---|---|---|
| A | P/F | Develop strategy for fund balance and protect restricted budget reserve | Assembly, Manager's Office, Finance | |
| B | P/F | Continue to evaluate sales tax structure including equity and evaluate removing sales tax on food | Assembly, Manager's Office, Finance | |
| C | P | Long term strategic planning for CIPs | Assembly, Manager's Office, EPW | |
| D | P/F | Reduce mil rate as appropriate | Assembly, Manager's Office, Finance | |
| E | F/O | Allocate resources to implement Assembly goals | Assembly, Manager's Office, Finance | |
| F | F/O | Maintain Assembly focus on deferred maintenance including BRH and JSD. | Assembly, Manager's Office, EPW, all operating departments with facilities | |

*Assembly Action to Move Forward: P = Policy Development, F = Funding , S = Support, O = Operational Issue

## 4. Community, Wellness, and Public Safety - Juneau is safe and welcoming for all citizens

| | AA* | Implementing Actions | Responsibility | *Notes:* |
|---|---|---|---|---|
| A | P/O/S | Acknowledge and honor Juneau's indigenous culture, place names, naming policy, and recognize Elizabeth Peratrovich Day | Assembly, Manager's Office | |
| B | P/S | Explore government to government relations with tribes | Assembly, Manager's Office | |
| C | P/F/O | Examine social service funding levels and process | Assembly, Manager's Office | |

## 5. Sustainable Community - Juneau will maintain a resilient social, economic, and environmental habitat for existing population and future generations.

| | AA* | Implementing Actions | Responsibility | *Notes:* |
|---|---|---|---|---|
| A | P/O | Develop a zero waste or waste reduction plan | Assembly, Manager's Office, EPW, Finance | |
| B | P/O | Develop strategy to measure, track and reduce CBJ energy consumption. | Assembly, Manager's Office, all departments | |
| C | P/O/F | Implement projects and strategies that advance the goal of reliance on 80% of renewable energy sources by 2045 | Assembly, Manager's Office, all departments | |
| D | P/F | Develop a climate change adaptation plan | Assembly, Manager's Office | |
| E | P/O/F | Develop strategy to reduce abandoned/junked vehicles | Assembly, Manager's Office, EPW, Law, P&R, D&H | |

*Assembly Action to Move Forward: P = Policy Development, F = Funding , S = Support, O = Operational Issue

# City & Borough of Juneau

## Legislative Priorities FY2023

## Adopted 1-24-22

V.2.1422

# FY2023 Legislative Priority List

| Rank | Project Name: | Purpose: | Amount: | Goal: | Page # |
|---|---|---|---|---|---|
| 1 | Lemon Creek Multimodal Path | Design, Permitting, Property | $2M | Advance Long-term Goal of a New Non-Motorized Route | 6 |
| 2 | Second Channel Crossing | Economic Impact Analysis and/or PEL | $7M | Economic Development | 7 |
| 3 | Pederson Hill Development | Development | $3M | Increase housing and development opportunities | 8 |
| 4 | New City Hall | Partial Funding | $5M | Reduce CBJ Operating Cost, Free up/create housing | 9 |
| 5 | Shore Power at Dock 16B | Final design and construction | $25M | Reduce emissions, improve air quality and economic development. | 10 |
| 6 | Capital Civic Center | Partial Funding | $5M | Support Convention and Visitor Economy | 11 |
| 7 | West Douglas Extension | Future Development | $3M | Long Term Development Support | 12 |
| 8 | Eaglecrest Expansion and Summer Operations Development | Phase one construction of new Gondola | $6.5M | Economic development/tourism diversification. | 13 |
| 9 | Telephone Hill | Site work | $2M | Prepare for Redevelopment | 14 |
| 10 | North State Office Building Parking | Partial Funding | $5M | State/legislative Parking, Auke District infill Development | 15 |
| 11 | Mendenhall River Community School Renovation | Major Renovation | $21M | Renovate to facilitate delivery of high quality education | 16 |
| 12 | Marie Drake Renovation | Major Renovation | $31M | Renovate to facilitate delivery of high quality education | 17 |
| 13 | Aurora Harbor Phase III | Design, Permitting | $250K | Replace critical infrastructure and support maritime economy | 18 |
| 14 | Auke Bay New Breakwater | Match Potential Federal Funding | $5M | Increase Moorage and Renovate old Economic Development | 19 |
| 15 | North Douglas Boat Ramp Expansion | Planning, research, permitting | $250K | Improve safety and expand boating access and transporta- | 20 |
| 16 | Waterfront Juneau Douglas City Museum | Partial Funding | $1M | Reduce CBJ Operating Cost, Expand Capital Campus | 21 |
| 17 | Trail Maintenance and Development | Improve trail network in CBJ | $5M | Support health and wellness with low to no carbon footprint community connections. | 22 |
| 18 | Auke Bay Seawalk | Design, Permitting, Property | $250K | Improve Non-Motorized Route | 23 |

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eMail: Laurie_Sica@ci.juneau.ak.us

October 10, 2017

## CANVASS OF REGULAR MUNICIPAL ELECTION
## Held October 3, 2017, Juneau, Alaska

In accordance with CBJ 29.07.290, the undersigned Election Official of the City and Borough of Juneau canvassed the results of the Regular Municipal Election held in Juneau, Alaska on October 3, 2017. The following are the official results of that election:

**Assemblymember District 1** (1 seat)

| | |
|---|---|
| Jesse Kiehl | 4593 |
| Chuck Collins | 1887 |
| Loretto Jones | 292 |
| Write-in | 40 |

**Assemblymember District 2** (1 seat)

| | |
|---|---|
| Rob Edwardson | 3944 |
| Debbie White | 2577 |
| Write-in | 59 |

**Assemblymember Areawide** (1 seat)

| | |
|---|---|
| Maria Gladziszewski | 4802 |
| Write-in | 1374 |

**School Board** (2 seats)

| | |
|---|---|
| Brian Holst | 4633 |
| Jeff Short | 3559 |
| Kevin Allen | 2120 |
| Write-in | 109 |

**Proposition #1 – 1% Areawide Sales Tax**

| | |
|---|---|
| Yes | 5425 |
| No | 1561 |

**Proposition #2 – Charter Amendment on Alternative Procurement Methods**

| | |
|---|---|
| Yes | 4870 |
| No | 1918 |

I hereby certify that the foregoing results are the true and final results of the October 3, 2017 Regular Municipal Election, held in Juneau, Alaska.

Laurie J. Sica
Municipal Clerk and Election Official
City and Borough of Juneau

# NOTICE OF REGULAR MUNICIPAL ELECTION - OCTOBER 3, 2017

Notice is hereby given that the Regular Municipal Election will be held in the City & Borough of Juneau, Alaska on **Tuesday, October 3, 2017.** Polling places are shown below. Registered voters of the State of Alaska who reside within the City and Borough of Juneau are eligible to vote in this election. Voters should be prepared to display identification at the polling place when voting.

**The purpose of the election is:**

1. To elect from candidates residing in Election District No. 1, one Assemblymember for a term of three years;

2. To elect from candidates residing in Election District No. 2, one Assemblymember for a term of three years;

3. To elect from candidates residing in the entire City and Borough of Juneau, one Areawide Assemblymember for a term of three years;

4. To elect from candidates residing in the entire City and Borough of Juneau, two members of the Board of Education (School Board) for terms of three years each.

5. To vote on the following two (2) areawide propositions:

## Proposition 1: Authorization to Extend the Temporary 1% Areawide Sales Tax Effective October 1, 2018, for a Period of Five Years

Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax. The existing temporary 1% sales tax is automatically repealed on September 30, 2018. The existing temporary 3% sales tax is automatically repealed on July 1, 2022. The total of all CBJ sales taxes currently levied is 5%.

This ballot proposition would continue the current 1% temporary sales tax rate for an additional five years, until September 30, 2023. Accordingly, if this proposition is approved, the total sales tax rate would remain at 5%.

It is the intent of the Assembly that taxes collected under this proposed extension of the temporary 1% areawide sales tax be appropriated by the Assembly for the following purposes:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery Center upgrades
- Information Technology: infrastructure upgrades
- RecycleWorks: waste diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

**Proposition 1**

Shall the City and Borough of Juneau, Alaska, continue to levy and collect a temporary 1% areawide sales tax on the sale price of retail sales, services, and commercial rentals within the City and Borough for an additional five years , effective October 1, 2018, until September 30, 2023. If this proposition is approved, the total sales tax would remain at five percent.

**Extend the 1% sales tax for five years YES** ⊂⊃

**Extend the 1% sales tax for five years NO** ⊂⊃

**Proposition 2: Charter Amendment**

The CBJ Charter is written as follows:

Section 9.14. - Competitive bidding.

(a) The assembly by ordinance shall provide for competitive bidding and procedures for competitive bidding.

(b) Contracts for public improvements and, whenever practicable, other purchases of supplies, materials, equipment, and services, shall be by competitive bid and awarded to the lowest qualified bidder. This subsection (b) shall not apply to purchases of:

(1) Professional services,

(2) Services of officers and employees of the municipality acting within the scope of their office or employment,

# SAMPLE BALLOT page 1 of 2

**THE CITY AND BOROUGH OF JUNEAU**
**REGULAR MUNICIPAL ELECTION, OCTOBER 3, 2017**
**Completely fill in the oval to the right of the selection you choose:**

**ASSEMBLYMEMBER AREAWIDE**
VOTE FOR NOT MORE THAN **ONE**

Maria Gladziszewski
Write-in:

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

Jeff Short
Brian Holst
Kevin Allen
Write-in:
Write-in:

**DISTRICT 1 ASSEMBLY**
VOTE FOR NOT MORE THAN **ONE**

Loretto Jones
Jesse Kiehl
Chuck Collins
Write-in:

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

Debbie White
Robert "Rob" Edwardson
Write-in:

**Proposition 1: Authorization to Extend the Temporary 1% Areawide Sales Tax Effective October 1, 2018, for a Period of Five Years.**

Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax. The existing temporary 1% sales tax is automatically repealed on September 30, 2018. The existing temporary 3% sales tax is automatically repealed on July 1, 2022. The total of all CBJ sales taxes currently levied is 5%.

This ballot proposition would continue the current 1% temporary sales tax rate for an additional five years, until September 30, 2023. Accordingly, if this proposition is approved, the total sales tax rate would remain at 5%.

It is the intent of the Assembly that taxes collected under this proposed extension of the temporary 1% areawide sales tax be appropriated by the Assembly for the following purposes:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery Center upgrades
- Information Technology: infrastructure upgrades
- RecycleWorks: Waste diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

**Proposition 1**

Shall the City and Borough of Juneau, Alaska, continue to levy and collect a temporary 1% areawide sales tax on the sale price of retail sales, services, and commercial rentals within the City and Borough for an additional five years, effective October 1, 2018, until September 30, 2023? If this proposition is approved, the total sales tax would remain at five percent.

**Extend the 1% sales tax for five years, YES**
**Extend the 1% sales tax for five years, NO**

# Proposition 1

**Extend Temporary 1% Sales Tax**



## If approved, how much revenue will the temporary 1% sales tax raise?

It is currently estimated that a 1% sales tax would raise $43.3 million of sales tax over 5 years. There is an additional $3.7 million of funding remaining from the current 1% sales tax project list which puts the total revenue available at $47 million.

## How long has the City and Borough of Juneau had a temporary 1% sales tax?

CBJ citizens have been regularly approving a temporary 1% sales tax for special projects and operating needs since 1972.

## What projects would be funded by Proposition 1's 1% sales tax extension and how were they selected?

It is the intent of the Assembly to use the 1% sales tax revenues to fund capital improvement projects and other deferred maintenance items. At the beginning of the 1% budgeting process, CBJ management identified internal CBJ government needs and received proposals from local nonprofit organizations. Through a careful ranking process, Assembly members evaluated 26 projects. Ultimately, the Assembly approved a list of 13 projects which are outlined below. Actual funding will be allocated yearly during the CBJ budgeting process.

<u>Wastewater Infrastructure Maintenance: $13.5 million</u>

$13.5 million will partially fund the rehabilitation of utility infrastructure for CBJ's wastewater systems. The extensive piping, pumping, and treatment systems throughout the CBJ are, in places, reaching the end of their useful life and need to be replaced or upgraded. CBJ's focus is to continue providing the existing uninterrupted service to the citizens and visitors of Juneau.

<u>Water Infrastructure Maintenance: $2 million</u>

$2 million will partially fund the rehabilitation of utility infrastructure for CBJ's drinking water systems. The extensive piping and pumping systems are, in some areas, reaching the end of their useful life and need to be replaced or upgraded. CBJ's focus is to continue providing the existing safe and reliable service to the citizens and visitors of Juneau.

# Proposition 1- Continued

**Extend Temporary 1% Sales Tax**



## CBJ Owned Building Maintenance: $3.5 million

CBJ has a large number of buildings to maintain, including City Hall, parking garages, fire and police stations, swimming pools, park restrooms and other facilities. These public facilities need to have routine maintenance in order to keep them functional and acceptable to the public. This includes, but is not limited to, roofing repairs, heating and ventilation upgrades, electrical upgrades, new windows and doors, exterior and interior painting, carpeting, and other building maintenance improvements. $3.5 million would be allocated for general building maintenance projects.

## Airport Matching Funds for Federally Funded Projects: $3 million

These projects – totaling about $40 million – would be primarily funded by the Federal Aviation Administration for federal fiscal year 2017 through 2022. $3 million of sales tax revenue represents CBJ's local match requirement. Various projects on the Airport Capital Improvement Program include snow removal equipment acquisition, sand/chemical building design/construction, terminal reconstruction (phase), taxiway rehabilitation and realignment of intersections, emergency vehicle access road continuation, wetland access vehicle for emergency response, main commercial apron design/reconstruction and runway safety area north side grading.

## Augustus Brown Pool Deferred Maintenance: $5 million

$5 million will fund repairs to various structural, plumbing, mechanical and operational components at the Augustus Brown Pool, allowing continued long-term use of the facility. Portions of the roof need to be repaired, as well as the mechanical, heating and ventilation, electrical and plumbing systems and asbestos abated. Insulation will be added to the exterior walls for added energy efficiencies, along with replacement of single pane windows, and other needed repairs.

## Centennial Hall Upgrade/Deferred Maintenance: $4.5 million

After 35 years of continuous use, Centennial Hall is in need of upgrades and improvements. The purpose of this $4.5 million project is to upgrade failing and inadequate infrastructure, to replace systems and fixtures that have reached their end of life, as well as to modernize systems to be compatible with modern technology. Projects include repairing/replacing the HVAC system, lighting and sound, and electrical and plumbing upgrades.

## School District Building Maintenance: $5 million

CBJ owns its school buildings, valued at over $300 million in replacement value. These buildings require regular maintenance of building components to keep them safe and functional for Juneau's students and teachers. $5 million of sales tax revenue would be used to match State grant/bond funds or to address immediate facility needs.

# Proposition 1- Continued

## Extend Temporary 1% Sales Tax



### Bartlett Regional Hospital – Rainforest Recovery Center Upgrades: $2.5 million

$2.5 million would be used to develop a detox bay to allow for on-site detoxification of patients and create an addiction assessment center at the Rainforest Recovery Center. The detox bay would reduce the volume of patients at the medical and mental health unit departments, and reduce wait times in the emergency department. The addiction assessment center would serve as a single point of entry to provide assessment, placement and outpatient treatment of patients with substance use disorders.

### Information Technology – Infrastructure Upgrades: $2 million

$2 million of sales tax revenue would fund upgrades to CBJ's IT systems, allowing for operational efficiencies, enhanced management reporting and more effective customer service. Projects include upgrading dispatch for Juneau Police Department and Capital City Fire/Rescue, enhancements to electronic payments and implementation of security cameras.

### RecycleWorks Waste Diversion Program: $2 million

The RecycleWorks program prolongs the life of the landfill by diverting waste to beneficial reuse and safe disposal. The program has seen increases in contractual costs and a decrease in revenue from recycling material sales. By partially funding operational costs of recycling, household hazardous waste, and junk vehicle collection programs, $2 million of sales tax revenue would help to maintain services to the community and reduce a future increase to user rates.

### Affordable Housing Fund: $2 million

The Affordable Housing Fund provides funding for housing activities that target families and individuals who earn 120% of the Area Median Income and below. The fund can be used by local housing developers, non-profit agencies and social service agencies for the creation, acquisition, rehabilitation or preservation of affordable housing. Examples of the types of projects that could utilize the fund include phase two of Housing First, development of a rapid re-housing program, winter or emergency shelter programs, senior housing and housing targeted for low-income and homeless populations.

### Park Deferred Maintenance: $0.5 million

$0.5 million would fund general repair or replacement of failing or inadequate infrastructure in CBJ's many parks. The projects address safety issues, improve ADA compliance and repair infrastructure that has reached end of life.

# Proposition 1- Continued

**Extend Temporary 1% Sales Tax**



Aurora Harbor Reconstruction: $1.5 million

Aurora Harbor, which was constructed from 1962 to 1964, is in extremely poor condition and has exceeded its useful life. The rebuild project has been ongoing in phases. Phase I was completed in 2015 for $9 million and Phase II has been awarded for $3.5 million with construction scheduled to be complete by April 2018. The unfunded requirement to fully recapitalize the remaining rebuild of Aurora Harbor (in kind) is $7 million. Docks & Harbors is evaluating future funding options, including revenue bonds and/or fee increases, to supplement the $1.5 million in sales tax revenue.

## If Proposition 1 is approved, how would it affect the sales tax that I pay?

CBJ's overall sales tax rate is 5%, and it would remain so if Proposition 1 is approved. CBJ's current sales tax consists of the following:

- ◊ 1% temporary tax (expiring September 30, 2018),
- ◊ 3% temporary tax (expiring July 1, 2022), and
- ◊ 1% permanent tax.

Proposition 1 asks voters if they wish to extend the temporary 1% sales tax until September 30, 2023. If voters approve the proposition, the overall sales tax rate would remain at 5%.

## What would happen if voters fail to approve Proposition 1?

If voters do not approve the proposition, the sales tax rate would be reduced to 4% on October 1, 2018. Sales tax revenues would be expected to decrease by approximately $8.6 million annually. Available funding for deferred maintenance and other special projects will be limited. Many of the proposed projects qualify as critical infrastructure needs. In order to maintain critical services, the Assembly would either decrease spending (by cutting public services and other capital projects), increase revenues (by increasing property taxes and user fees), or both.

## Why have a sales tax?

Government services are funded through a variety of taxes and user fees. In Juneau, sales and property tax revenues pay for the majority (about 26% and 46%, respectively) of general city government services. In addition, sales tax revenues account for nearly all of the funds spent on general government capital projects such as street/sidewalk paving/repairing and CBJ-owned facilities.

A sales tax helps spread the cost of municipal services to all users, rather than targeting property owners only. With a sales tax, visitors and temporary residents help pay for services they use while they are in Juneau. State and federal funding for local government services has declined significantly over the years. In response to these state and federal revenue declines, local sales tax revenues have contributed greatly in helping to fund consistent service levels and hold down the property tax mill levy.

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Phone: (907)586-5278 Fax: (907)586-4552
eMail: Laurie_Sica@ci.juneau.ak.us

October 9, 2012

**CANVASS OF REGULAR MUNICIPAL ELECTION**
**Held October 2, 2012, Juneau, Alaska**

In accordance with CBJ 29.07.290, the undersigned Election Official of the City and Borough of Juneau canvassed the results of the Regular Municipal Election held in Juneau, Alaska on October 2, 2012. The following are the official results of that election:

**Mayor** (1 seat)

| | |
|---|---|
| Merrill Sanford | 4106 |
| Cheryl Jebe | 3453 |
| Write-in | 39 |

**Assemblymember District 1** (1 seat)

| | |
|---|---|
| Loren Jones | 4092 |
| Paul Nowlin | 2360 |
| Write-in | 39 |

**Assemblymember District 2** (1 seat) *

| | |
|---|---|
| Jerry Nankervis | 4546 |
| Write-In | 854 |

**School Board** (3 seats)

| | |
|---|---|
| Andrea (Andi) Story | 4728 |
| Phyllis Carlson | 3786 |
| Destiny Sargeant | 3273 |
| Will Muldoon | 2580 |
| Michelle Johnston | 2013 |
| Write-in | 164 |

* The Election Official determined that a hand tally of write-in ballots in the Assemblymember District 2 race was not required per CBJ Code 29.07.150 (d).

**Proposition 1**: GENERAL OBLIGATION BONDS $25,000,000

Shall the City and Borough of Juneau, Alaska, issue and sell general obligation bonds, maturing within 20 years of their date of issue, in the aggregate principal amount of $25,000,000, for the purpose of paying for renovations, construction, and capital improvements to the facilities of the City and Borough, including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, and Centennial Hall and other parks and recreation facilities?

Yes 3898
No 3825

**Proposition 2**: Authorizing Extension of a Temporary 1% Areawide Sales Tax, Effective October 1, 2013, for a Period of Five Years.

Shall the City and Borough of Juneau, Alaska, levy and collect a temporary 3% areawide sales tax on the sale price of retail sales, services, and commercial rentals within the City and Borough, effective July 1, 2012, for a period of five years only, in addition to the 1% permanent areawide sales tax and the 1% temporary areawide sales tax.

Yes 4556
No 3222

I hereby certify that the foregoing results are the true and final results of the October 2, 2012 Regular Municipal Election, held in Juneau, Alaska.

Laurie J. Sica
Municipal Clerk and Election Official
City and Borough of Juneau

Election Statistics:

Total registered voters in the City and Borough of Juneau was 24,565. 7864 ballots, including absentee and accepted questioned ballots, were cast in the election. Voter turnout was 32 %. Ballots were cast in the following manner:

Absentee Ballots:

| | |
|---|---|
| Early Mendenhall Mall | 622 |
| Early City Hall | 420 |
| In Person Mend Mall | 19 |
| In Person City Hall | 17 |
| By Mail | 86 |
| By Fax | 67 |
| By Personal Representative | 42 |
| Total counted: | 1274 |

Questioned Ballots:
401 voters cast questioned ballots at the precincts on election day. Of those ballots, 357 were cast by qualified voters, accepted and counted. The status of all questioned voters was verified with the State of Alaska Division of Elections, by the Absentee and Questioned Review Board and CBJ Election Official.

Precinct Ballots Cast:

| Precinct Number | Precinct Name | Precinct Location | Ballots Cast |
|---|---|---|---|
| 31-400 | Auke Bay - Fritz Cove | Auke Bay Fire Station | 520 |
| 31-410 | Juneau Airport | Nugget Mall | 404 |
| 31-420 | Lynn Canal | Auke Bay Ferry Terminal | 395 |
| 31-430 | Mendenhall Valley No. 1 | Mendenhall Mall | 439 |
| 31-440 | Mendenhall Valley No. 2 | Aldersgate Methodist Church | 555 |
| 31-450 | Mendenhall Valley No. 3 | Glacier Valley Baptist Church | 531 |
| 31-460 | Mendenhall Valley No. 4 | Shepherd of the Valley Lutheran Church | 633 |

# NOTICE OF REGULAR MUNICIPAL ELECTION - OCTOBER 2, 2012

Notice is hereby given that the Regular Municipal Election will be held in the City & Borough of Juneau, Alaska on **Tuesday, October 2, 2012.** Polling places are shown below. Registered voters of the State of Alaska who reside within the City and Borough of Juneau are eligible to vote in this election. Voters should be prepared to display identification at the polling place when voting.

**The purpose of the election is:**

1. To elect from candidates residing in Election District No. 1, one Assemblymember for a term of three years;

2. To elect from candidates residing in Election District No. 2, one Assemblymember for a term of three years;

3. To elect from candidates residing in the entire City and Borough of Juneau, one Mayor for a term of three years;

4. To elect from candidates residing in the entire City and Borough of Juneau, three members of the Board of Education (School Board) for terms of three years each; and

5. To vote on the following areawide propositions:

## PROPOSITION NO. 1

## GENERAL OBLIGATION BONDS
## $25,000,000

### Explanation

This proposition, if approved by the voters, would authorize the issuance of $25,000,000 in general obligation bond debt for paying the cost of renovations, construction, and capital improvements to the facilities of the City and Borough, including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, and Centennial Hall and other parks and recreation facilities.

The total annual debt service costs, assuming an interest rate of 3.8%, will be $1,798,000, expected to be paid in 2013 through 2017 from a temporary sales tax, if Proposition 2 is approved by voters at this election. Beginning in 2018, for a period of 15 years, a property tax levy of approximately $39.00 per $100,000 of assessed value would pay the remaining debt service.

If the temporary sales tax in Proposition 2 is not approved by the voters, debt service on these bonds would require an annual property tax levy of approximately $42.00 per $100,000 of assessed value beginning in 2013, for a period of 20 years.

## PROPOSITION NO. 1

Shall the City and Borough of Juneau, Alaska, issue and sell general obligation bonds, maturing within 20 years of their date of issue, in the aggregate principal amount of $25,000,000, for the purpose of paying for renovations, construction, and capital improvements to the facilities of the City and Borough, including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, and Centennial Hall and other parks and recreation facilities?

**Bonds, YES** ⊂⊃
**Bonds, NO** ⊂⊃

# NOTICE OF BOND ELECTION

**City and Borough of Juneau Outstanding and Other Debt Information**
The following information is provided as required by CBJ Charter Section 10.5, Notice of Bond Election:

- CBJ's total general obligation outstanding debt, as of September 1, 2012, is $146,681,000. Of this amount it is anticipated that $87,287,430 will be reimbursed by the State under the State's School Construction Bond Debt Reimbursement Program.

- There are $21.29 million of voter approved general obligation bonds (Auke Bay School $20.1 million and Adair Kennedy Field $1.19 million) that have not been issued yet. $13.1 million of these bonds are scheduled to be sold in October, 2012 and $8.19 million to be sold in the summer of 2013.

- For the current fiscal year, FY13, CBJ is budgeting to pay a total of $20,848,400 for bond debt service (both principle and interest). $12,527,100 of this amount is anticipated to be reimbursed by the State under the State's School Construction Bond Debt Reimbursement Program. This leaves a balance of $7,539,500 to be paid from local tax sources and interest income. Of this amount, $1,481,900 will be paid with general sales tax revenues and $5,544,100 will be paid from general property tax levies and $1,295,300 from interest income.

- The current total taxable assessed valuation within the municipality is $4,293,876,617 ($4.3 billion).

## PROPOSITION NO. 2

**TEMPORARY 1% SALES TAX**
**Authorizing Extension of a Temporary 1% Areawide Sales Tax,**
**Effective October 1, 2013, for a Period of Five Years.**

**Explanation**

The City and Borough of Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax, for a total sales tax rate of 5%. The temporary 1% sales tax will expire on September 30, 2013. This ballot proposition, if approved by the voters, would continue the current 1% temporary sales tax for an additional five years, until September 30, 2018, and the total sales tax rate would remain at 5%.

It is the intent of the Assembly of the City and Borough of Juneau that taxes collected under this proposed extension of the temporary 1% sales tax shall be appropriated for the following purposes:

- Major maintenance, improvements, and upgrades to existing:
  - harbor facilities;
  - CBJ recreational facilities, parks, and trails; and
  - Capital Transit facilities;

- Partial funding for design, permitting, and construction of:
  - an airport snow removal equipment facility;
  - the Juneau Arts and Culture Center facility expansion;
  - a new library facility at Dimond Park;
  - a water filtration system at Salmon Creek; and
  - a new child and adolescent mental health facility at Bartlett Regional Hospital;

- Partial funding for the Sealaska Heritage Institute's construction of a cultural education facility in downtown Juneau;

- Increase the CBJ Budget Reserve, as recommended by the Fiscal Policy Task Force; and

- Payment of the first five years of G.O. Bond indebtedness, if Proposition 1 is approved by the voters. If Proposition 1 is not approved, Centennial Hall and Aurora Harbor Capital Improvement Projects would be funded.

**PROPOSITION NO. 2**

Shall the City and Borough of Juneau, Alaska, levy and collect, according to the sales tax code, a temporary 1% areawide sales tax on the sale price of retail sales, services, and rentals, effective October 1, 2013, for a period of five years ending September 30, 2018?

**Extend 1% sales tax five years, YES**
**Extend 1% sales tax five years, NO**

## VOTER QUALIFICATIONS

To be eligible to vote in City and Borough of Juneau elections, you must be:

1. Qualified to vote in state elections;
2. A resident of the municipality for at least 30 days immediately preceding the election;
3. Registered to vote in state elections at a residence address within the municipality at least 30 days before the municipal election at which the person seeks to vote; and
4. Not disqualified under Article V of the State of Alaska Constitution.

## ABSENTEE VOTING

A qualified voter may vote an absentee ballot for any reason. An absentee ballot may be cast in person, or requested from the election official in writing, by application with the voter's signature. Absentee Ballots are available beginning September 17, 2012.

**By Mail:**
Applications for By-Mail Ballots can be obtained in the Municipal Clerk's Office or online at www.juneau.org/clerk/elections. Applications for by-mail ballots must be received in the Municipal Clerk's office no later than Tuesday, September 25, 2012. After September 25, please refer to Absentee Voting BY FAX.

**In-Person Absentee Voting:**
A qualified voter may vote absentee in-person on or after the 15th day before an election up to and including the Election Day. Beginning September 17, 2012, early voting and absentee-in-person voting will take place at the following locations/dates/times:

**City Hall - Assembly Chambers**
September 17 - October 1, 2012
Monday - Friday:
8:00a.m. - 4:30p.m.

**Mendenhall Mall**
September 17 - October 1, 2012
Monday - Friday:
10:00a.m. – 6:30p.m.
and
Saturday - Sunday:
Noon – 4:00p.m.

**By Fax:**
Contact the Municipal Clerk's office for more information.

**Absentee ballot application forms and information available at:**
Municipal Clerk/Election Official Office, City Hall Room 202
155 S. Seward Street, Juneau, AK. 99801
(907) 586-5278 phone (907) 586-4550 fax
e-mail: city_clerk@ci.juneau.ak.us
http://www.juneau.org/clerk/elections

# SAMPLE BALLOT – page 1 of 2

**THE CITY AND BOROUGH OF JUNEAU**
**REGULAR MUNICIPAL ELECTION, OCTOBER 2, 2012**
**Completely fill in the oval to the right of the selection you choose:**

**MAYOR**
VOTE FOR NOT MORE THAN **ONE**

Merrill Sanford
Cheryl Jebe
Write-in:

**ASSEMBLY DISTRICT 1**
VOTE FOR NOT MORE THAN **ONE**

Loren Jones
Paul Nowlin
Write-in:

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

Jerry Nankervis
Write-in:

**SCHOOL BOARD**
VOTE FOR NOT MORE THAN **THREE**

Phyllis Carlson
Andrea (Andi) Story
Destiny Sargeant
Michelle Johnston
Will Muldoon
Write-in
Write-in:
Write-in:

**PROPOSITION NO. 1**

**GENERAL OBLIGATION BONDS**
**$25,000,000**

**Explanation**

This proposition, if approved by the voters, would authorize the issuance of $25,000,000 in general obligation bond debt for paying the cost of renovations, construction, and capital improvements to the facilities of the City and Borough, including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, and Centennial Hall and other parks and recreation facilities.

The total annual debt service costs, assuming an interest rate of 3.8%, will be $1,798,000, expected to be paid in 2013 through 2017 from a temporary sales tax, if Proposition 2 is approved by voters at this election. Beginning in 2018, for a period of 15 years, a property tax levy of approximately $39.00 per $100,000 of assessed value would pay the remaining debt service.

If the temporary sales tax in Proposition 2 is not approved by the voters, debt service on these bonds would require an annual property tax levy of approximately $42.00 per $100,000 of assessed value beginning in 2013, for a period of 20 years.

**PROPOSITION NO. 1**

Shall the City and Borough of Juneau, Alaska, issue and sell general obligation bonds, maturing within 20 years of their date of issue, in the aggregate principal amount of $25,000,000, for the purpose of paying for renovations, construction, and capital improvements to the facilities of the City and Borough, including the airport terminal, Aurora Harbor, the Capital Transit maintenance shop, Eaglecrest Learning Center, and Centennial Hall and other parks and recreation facilities?

**Bonds, YES**
**Bonds, NO**

**Turn Ballot Over to Continue Voting**

# SAMPLE BALLOT – page 2 of 2

**THE CITY AND BOROUGH OF JUNEAU**
**REGULAR MUNICIPAL ELECTION, OCTOBER 2, 2012**
**Completely fill in the oval to the right of the selection you choose:**

## PROPOSITION NO. 2

**TEMPORARY 1% SALES TAX**
**Authorizing Extension of a Temporary 1% Areawide Sales Tax, Effective October 1, 2013, for a Period of Five Years.**

**Explanation**

The City and Borough of Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax, for a total sales tax rate of 5%. The temporary 1% sales tax will expire on September 30, 2013. This ballot proposition, if approved by the voters, would continue the current 1% temporary sales tax for an additional five years, until September 30, 2018, and the total sales tax rate would remain at 5%.

It is the intent of the Assembly of the City and Borough of Juneau that taxes collected under this proposed extension of the temporary 1% sales tax shall be appropriated for the following purposes:

- Major maintenance, improvements, and upgrades to existing:
  - harbor facilities;
  - CBJ recreational facilities, parks, and trails; and
  - Capital Transit facilities;
- Partial funding for design, permitting, and construction of:
  - an airport snow removal equipment facility;
  - the Juneau Arts and Culture Center facility expansion;
  - a new library facility at Dimond Park;
  - a water filtration system at Salmon Creek; and
  - a new child and adolescent mental health facility at Bartlett Regional Hospital;
- Partial funding for the Sealaska Heritage Institute's construction of a cultural education facility in downtown Juneau;
- Increase the CBJ Budget Reserve, as recommended by the Fiscal Policy Task Force; and
- Payment of the first five years of G.O. Bond indebtedness, if Proposition 1 is approved by the voters. If Proposition 1 is not approved, Centennial Hall and Aurora Harbor Capital Improvement Projects would be funded.

**PROPOSITION NO. 2**

Shall the City and Borough of Juneau, Alaska, levy and collect, according to the sales tax code, a temporary 1% areawide sales tax on the sale price of retail sales, services, and rentals, effective October 1, 2013, for a period of five years ending September 30, 2018?

**Extend 1% sales tax five years, YES**
**Extend 1% sales tax five years, NO**

**Turn Ballot Over to Continue Voting**

# TUESDAY, OCTOBER 2, 2012

## The polls will be open from 7 a.m. to 8 p.m.

## Information Pamphlet & Sample Ballot

**Q: *What are the purposes of the two propositions before the voters this year?***

**A:** The Assembly is asking that the voters consider funding $50.5 million of CBJ capital improvement projects, contributing $4 million to two nonprofit community projects, and increasing CBJ's budget reserves by $5 million. The $59.5 million in expenditures would be funded through a combination of issuing $25 million in general obligation bonds and extending the temporary 1% sales tax. Proposition 1 would authorize issuing of $25 million in general obligation bonds. Proposition 2 would extend the temporary 1% sales tax for five years, effective October 1, 2013. This pamphlet describes the relationship between the two propositions and describes the capital projects they would fund.

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

**A:** If approved by the voters, this proposition would authorize the CBJ to issue $25 million in general obligation bond debt. The bond proceeds would pay the cost of renovations and construction of the facilities of the City and Borough.

**Q: *What are the projects that would be funded by the Proposition 1 general obligation bond?***

**A:** The bond revenue would fund the following capital improvement projects:

*Centennial Hall Renovation* — *$3.2 million*

This project would replace the facility's roof and plumbing systems. The electrical system would be upgraded, and fixtures and furnishings would be replaced.

*Aurora Harbor Reconstruction* — *$7 million*

Aurora Harbor is 50 years old and requires reconstruction. Because the overall project is estimated to cost $18 million, the reconstruction is being conducted in phases. Phase 1 of the project, which would cost $4 million, is currently funded and would reconstruct 22% of the harbor. The bond issue would provide $7 million for Phase 2, and would be used as matching funds to pursue other funds for Phase 3.

*Airport Terminal Renovation* — *$6.9 million*

The airport terminal was originally constructed in 1948 and has had several additions over time. Renovation and expansion of about half of the terminal is now complete. $6.9 million provided in this bond package would be allocated to complete the next phase of renovation including replacing deteriorated mechanical and electrical equipment, addressing building code issues, abating asbestos, and reducing energy consumption.

CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

*Eaglecrest Learning Center and Lodge Renovation* — *$3.5 million*

$3.5 million would be allocated to the Eaglecrest Ski Area to construct a new Learning Center. The Learning Center would house adaptive learning facilities, a classroom and children's program area, rental department, and the retail and repair shop. Eaglecrest management estimates that annual revenue would increase by $150,000, while operations and maintenance costs would increase by $25,000 as a result of this project.

*Capital Transit Improvements* — *$3.05 million*

The project would build additional storage space for the six buses currently parked outside of the Capital Transit Maintenance and Operations Facility, update the administrative area to accommodate current staff, and create a training room.

Electronic fare boxes would be purchased and installed. These fare boxes record payments and keep track of passenger boardings.

*Adair-Kennedy Memorial Park Bathrooms and Concession* — *$400,000*

This project would replace the vandalism-prone bathroom and concession building with a more secure building that is designed to accommodate heavy use, and would replace the drinking fountain, tables, and benches. Lighting in the park would be upgraded to deter crime and vandalism, and security cameras would be installed. $400,000 would be allocated to this project.

*Dimond Park Bathrooms, Concession, and Paving* — *$650,000*

This project would result in the construction of a combination bathroom and concession stand at the center of the complex. In addition, the road to the Field House would be paved, park lighting would be improved, and new scoreboards would be installed.

*Melvin Park Bathrooms and Concession* — *$250,000*

This project would replace the existing structures with adequate bathroom facilities and concessions. In addition, the wood grandstands would be renovated, and equipment storage lockers would be replaced.

**Q: *If Proposition 1 is approved, how would it affect my property tax rate?***

**A:** The CBJ estimates that the total annual debt service costs of these bonds, assuming an average interest rate of 3.8%, would be $1.8 million. There are two scenarios for how property taxes would be affected:

> ***Scenario 1*** If Proposition 2 is approved, the first five years of debt service would be paid with sales tax proceeds. Beginning in 2019, for a period of 15 years, the debt service would require an annual tax levy of $39 per $100,000 of assessed property value.
>
> ***Scenario 2*** If Proposition 2 is not approved, an annual property tax levy of approximately $42 per $100,000 of assessed value, beginning in 2013 for a period of 20 years, would be required.

**Q: *What projects would be funded by Proposition 2's 1% sales tax extension?***

**A:** The sales tax revenue would be used to fund capital improvement projects and other purposes, as described below.

*General Obligation Bond Debt Repayment — $10 million*

If the voters approve both Proposition 1 and Proposition 2, $10 million of the revenue generated by the 1% sales tax extension would be used for bond debt payment. If Proposition 1 is not approved, $10 million of Proposition 2 monies would fund the $7 million Aurora Harbor and $3 Million Centennial Hall projects described previously in this pamphlet.

*Budget Reserves — $5 million*

$5 million of the revenue generated by the 1% sales tax extension would be used to replenish the general government budget reserves. This is in keeping with the Mayor's Budget Task Force recent recommendation of a minimum of $17 million in reserves.

*Dimond Park Library — $4.7 million*

$4.7 million of the sales tax revenue would be allocated to the construction of a new library in Dimond Park. The total project cost is estimated at $14 million. $9.3 million of that funding is in place, including a $7 million library construction grant awarded by the Alaska State Legislature, $1.3 million from the Friends of the Juneau Public Libraries and the Library Endowment Fund, and CBJ's in-kind contribution of $1 million for the land at Dimond Park.

The new library would replace the existing rented library space in the Mendenhall Mall. It would have an expanded children's area and collection, and additional conference and study room space. The new library would cost less to operate than the rented space.

CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

### *Child & Adolescent Mental Health Facility* — *$4 million*

$4 million would be allocated to the construction of a Child and Adolescent Mental Health Unit at Bartlett Regional Hospital. This facility would serve children with severe behavioral health conditions, who currently are sent out of the community for these services. The hospital already offers behavioral health services and has child psychiatrists on staff. Besides the proposed sales tax, the other funding sources for this estimated $23 million project are the hospital's budget reserves and State of Alaska, federal government, and foundation grants.

### *Airport Snow Removal Equipment Facility* — *$3.1 million*

This $23 million project would primarily be funded by the Federal Aviation Administration. $3.1 million of sales tax revenue would be allocated to meet the CBJ's local match requirement.

The Snow Removal Equipment Facility is a maintenance and storage building for the airport's heavy equipment such as sweepers and dump trucks. The building is essential to winter operations and overall safety of the airport. The underground geothermal loop field for this system has already been installed, and the road and utilities for the building are currently under construction. The building design is complete and funds are now needed to construct the building.

### *Boat Haul Out and Kayak Launch Ramp at Statter Harbor* — *$1.3 million*

$1.3 million of the sales tax revenue would be allocated to replacing the boat launch ramp at Statter Harbor, which has deteriorated beyond its useful life. The existing launch ramp would be replaced with a new boat haul out, kayak launch ramp, and boarding float. Since this would be replacement of an existing component of the harbor, it is not anticipated that operating costs would increase. Total cost of project is estimated to be $2.1 million. A State of Alaska grant of $800,00 would provide the remaining funding needed for this project.

### *Water Filtration* — *$1.53 million*

The Salmon Creek reservoir is not a reliable year-round water source, because occasional seasonal turbidity causes the water to exceed the limits for particulate matter. With the addition of a filtration plant at Salmon Creek, the reservoir would be a source of year-round water. The total project cost is estimated to be $5.7 million, and the increase to operations and maintenance costs caused by water filtration is estimated to be $150,000. $1.53 million of sales tax revenue would be allocated to this project

# TUESDAY, OCTOBER 2, 2012

**The polls will be open from 7 a.m. to 8 p.m.**

## Information Pamphlet & Sample Ballot

*Building Maintenance* — *$8.2 million*

The CBJ has a large number of buildings to maintain, including City Hall, parking garages, fire and police stations, swimming pools, park restrooms, and other facilities. These public facilities need to have routine maintenance completed in order to keep them functional and acceptable to the public. This includes, but is not limited to, exterior and interior painting, new carpeting, roofing repairs, heating and ventilation upgrades, electrical upgrades, new windows and doors, and other building maintenance improvements. $8.2 million would be allocated for general building maintenance projects, including these designated projects: replacing the Capital Transit Bus Barn siding and heating system, upgrading the City Museum's heating and ventilation system, replacing the flooring at the Zach Gordon Youth Center, and replacing the lockers at Augustus Brown Pool.

*Parks and Trails Maintenance* — *$2.29 million*

$2.29 million would be allocated for repairs and safety improvements for CBJ's many parks and trails. CBJ staff has identified these projects for near-term design and construction:

- *Capital School Park Bathroom and Playground*
- *Cope Park Repairs and Safety Improvements*
- *Twin Lakes Park Repairs and ADA Upgrades*
- *Riverside Rotary Park Repairs and Safety Improvements*
- *Chicken Yard Park Safety Improvements*
- *Horse Tram Trail Repairs*
- *Treadwell Ditch Trail Repairs and Bridges*
- *Jensen-Olson Arboretum Parking Lot and Conservatory*
- *Treadwell Mine Historic Park Preservation*
- *Auke Lake - Montana Creek Trail Connection*
- *Montana Creek Trail Repairs*

*Lemon Creek Neighborhood Park* — *$250,000*

There is only one small playground between Twin Lakes Park and Mendenhall Loop Road, making Lemon Creek one of the most underserved areas in Juneau's park system. This project would identify a suitable location for a neighborhood park in Lemon Creek and fund construction. $250,000 of the sales tax revenue would be designated for this purpose.

CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

### *Off-Highway Vehicle Park* — *$100,000*

Demand for sustainable off-road vehicle access in Juneau is strong. Multiple attempts to locate a park for motorized recreation have failed, but the City has identified a large parcel near 37-Mile Glacier Highway for potential access. Initial funding for assessment, mapping and design was provided in 2010. Additional sales tax funding of $100,000 would be used to complete the public permitting process and begin construction of parking facilities and trails.

### *JACC Expansion - Performing Arts Center* — *$1 million*

The Juneau Arts and Humanities Council plans to construct a performing arts center adjacent to the Juneau Arts and Culture Center. The new center would house two mid-size theaters, gallery exhibit spaces, classroom and meeting spaces, and offices. The total project cost is estimated at $14.5 million. $1 million of sales tax revenue would be allocated to help support this project.

### *Walter Soboleff Center* — *$3 million*

The Sealaska Heritage Institute plans to construct a three story building downtown that will serve as a cultural, educational, and retail center. Construction of the Walter Soboleff Center is estimated to cost $20 million. $3 million of sales tax revenue would be allocated to support this project.

**Q:** ***If Proposition 2 is approved, how would it affect the sales tax that I pay?***

**A:** Currently, CBJ's overall sales tax is 5%, consisting of these taxes:

- *a 1% temporary tax (expiring September 30, 2013),*
- *a 3% temporary tax (expiring July 1, 2017), and*
- *a 1% permanent tax.*

Proposition 2 asks voters if they wish to extend the temporary 1% sales tax until September 30, 2018. If voters approve the proposition, the overall sales tax rate would remain at 5%. If voters do not approve the proposition, the sales tax rate would be reduced to 4% on October 1, 2013.

**Q:** ***If Proposition 2 is approved, how much revenue would it generate?***

**A:** CBJ estimates that the temporary 1% sales tax would generate a total of approximately $44.8 million over the five-year period that it would be in effect.

Municipal Election • City & Borough of Juneau

# TUESDAY, OCTOBER 2, 2012

## The polls will be open from 7 a.m. to 8 p.m.

## Information Pamphlet & Sample Ballot

***There are four possible outcomes to this election: both propositions are approved; Proposition 1 is approved but not Proposition 2; Proposition 2 is approved but not Proposition 1; or neither is approved.***

**Q:** ***What would happen if the voters approve both propositions?***

**A:** CBJ would issue $25 million in general obligation bonds to fund the projects in Proposition 1. $10 million of the 1% sales tax extension would be allocated to pay the first five years of debt service on those bonds. A total of $54.5 million of projects would be funded. The budget reserves would be increased by $5 million to assist in reaching the Mayor's Budget Task Force recommendation of a $17 million balance.

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

**A:** CBJ would issue $25 million in general obligation bonds. The debt service would increase by approximately 0.42 mills beginning in 2013. A total of $25 million of capital improvement projects would be funded.

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

**A:** The 1% sales tax extension would raise $44.8 million. The $10 million that would have been used for bond debt payment had Proposition 1 passed would be used to fund Aurora Harbor Phase Two ($7 million) and Centennial Hall improvements ($3 million). A total of $39.5 million of projects would be funded, and $5 million would be placed in the budget reserves.

**Q:** ***What would happen if neither proposition is approved?***

**A:** The overall sales tax rate would be reduced to 4%, the general obligation bonds would not be issued, and the projects described in this pamphlet would not receive this funding.

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

TO: Chair Triem and Assembly Finance Committee DATE: January 31, 2022

FROM: Rorie Watt, City Manager

RE: Fund Balance Usage

On the 2/2 Agenda, you have an Ordinance that would authorize $2M for the purchase of a used gondola for Eaglecrest. I imagine that this request will spur questions about other potential uses of fund balance, similar to the conceptual discussion suggested at the 11/29/21 PWFC.

Currently, the CBJ has approximately $27M of General Fund (GF) fund balance. Of this amount, some should be kept as a cash reserve, a hedge against under performance of the economy (and therefore a drop in sales tax), in reserve for future project requests or for use in concert with proposed allocations of the FY23 CIP and/or the likely upcoming 1% Sales Tax renewal this fall. The CBJ also maintains the separate Restricted Budget Reserve of approximately $16M, this RBR was created as a hedge against a precipitous decline in the economy. Because of the RBR, in my opinion a GF fund balance of a minimum of $5M and as much as $10M is prudent.

I don't see any reason that the Assembly couldn't comfortably allocate up to $15M now to advance its stated community goals. For more cautious members, an allocation of this amount could always be pulled back (frankly, it takes time to spend money) if, for example, the cruise ship season precipitously failed to materialize.

To help the body start an in context discussion, I propose you use as a starting point the following allocation:

| | |
|---|---|
| Restricted Budget Reserve | $1M |
| Deferred Building Maintenance (CBJ) | $3M |
| School District Building Maintenance | $2M |
| Parks Deferred Maintenance | $0.5M |
| Affordable Housing Fund | $3M |
| Lemon Creek Multi-Modal Path (match for grants) | $1M |
| Channel Crossing (partial funding for continued DOT collaboration) | $0.5M |
| New City Hall or City Hall Renovations (partial funding) | $2M |
| Total: | $13M |

These allocations would support the Assembly goals and its legislative priority list and reduce some pressure to fund these good ideas in the upcoming budget, leaving the Assembly future flexibility. Because of the size of general fund balance, there is plenty of room for the Assembly to make further allocations during this calendar year.

**Recommendation:**
Decide how much process is necessary and forward an appropriation Ordinance to the Assembly for action. As this list conforms to CBJ's goals, you could do so tonight and receive comment at public hearing. Side note, some of the ongoing JSD projects (roofs) have funding gaps with timing issues.

CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

TO: Chair Bryson and Assembly Public Works and Facilities Committee

DATE: November 23, 2021

FROM: Rorie Watt, City Manager

RE: Capital Projects – Big Picture Planning

I recommend that the Assembly take a little bit of time to consider strategic approaches to consideration of capital project funding. There are several concurrent processes that are over-lapping, each of which provides the Assembly decision-making opportunities. They include:

A. Management of General Fund Balance, the Assembly has some opportunity to use fund balance as one one-time funding for capital projects. Fund balance (not including the $16M restricted budget reserve as defined by Assembly Resolution) is in excess of $20M.
B. Allocation of ARPA funds, ~$12M. Replacement CPV funds from the State are largely unrestricted, the Assembly has decided to treat them as General Fund, and introduced an appropriation Ordinance of $5.5M at the 12/13 Assembly meeting.
C. 6-Year CIP – Provides necessary maintenance funding for roads, utilities, roofs, buildings for most departments, parks facilities, etc. Process for FY23 is about to commence.
D. 1% Sales Tax – During the October 2022 municipal election, the Assembly has the opportunity to propose to extend 1% of the Sales Tax, traditionally proposed for a five year period. If approved, 1% for five years would collect in excess of $50M.
E. Management of Municipal Debt Capacity – CBJ is in a very good position with regard to debt. Historic borrowing is coming off of the books and by independent analysis, CBJ can prudently take on significant borrowing for capital improvements without increasing our traditional mil levy rate for debt. Such borrowing could be managed to advance Assembly goals and to allow CBJ citizens to enjoy the benefits of those improvements sooner.

None of this is to imply that we do not face economic and budgetary headwinds. Upcoming operating budgets face difficult trends in the forms of inflation, increased fuel, employee and commodity costs as well as escalating insurance premiums. Ongoing operational costs should be met with enduring revenue sources. This memorandum primarily contemplates the use of one-time fund balance to meet deferred or new capital needs that either advance community goals and/or reduce operating or maintenance costs or fund unanticipated cost increases that have resulted from a COVID19 disrupted supply chain. I have asked Director Koester to prepare a preliminary report of anticipated increases in project costs for ongoing projects, this will be reported to PWFC. At this time, two projects face obvious issues.

***Augustus Brown Pool:*** Delaying renovation of the August Brown Pool has substantially increased costs due to inflation, supply chain problems, current lack of competition. In May of 2020, I recommended that the Assembly pause that project (pandemic and economic uncertainty, concern for evolving air handling standards). We did, however, expend funds and replaced the failing roof.

In 2016, CBJ commissioned a condition survey from JYW Architects which determined that renovation needs would cost $5.15M and the Assembly subsequently included the project in the ballot information for 1% Sales Tax extension in 2017 for $5M of funding. The project was delayed to the end of the sales tax funding cycle and the roof repair was split out, increasing costs due to having multiple construction projects and several years of inflationary increases. Unfortunately cost estimates have risen, and completing the contemplated scope of work would require an additional $2.5M.

> *Timing Notes:* The ABP project is out to bid, with a bid opening on 12/7. The bid is structured with alternates to allow the Assembly to award, with or without major project components. In bid processes, contractor are only required to hold prices for a limited period of time, though protocol is to let them know as soon as possible so that they can lock in material and subcontractor pricing. With the direction of the Committee, we will introduce an appropriation Ordinance on 12/13 with Public Hearing set for January 10th. If the Assembly wished to discuss this project funding or a bigger picture financial discussion, it should choose AFC on 12/1 or 1/5 or the COW on 12/20.

*Centennial Hall:* Design and bid process for the renovations to Centennial Hall are proceeding, and again costs are escalating. Seismic bracing, a project betterment has been identified as an additional improvement. In order to proceed with the contemplated project scope an additional $500K is requested.

For both the ABP and Centennial Hall projects, the Assembly can decide to provide further funding, or direct that improvements be scaled to meet the abilities of the project budgets. I recommend that the Assembly take a supportive stance in providing additional funding to the projects. When we renovate a municipal facility, it is most efficient to get the job done, give the facility its due. Building maintenance needs will always proceed apace, incomplete renovations will place more pressure and costs on the maintenance budgets.

**Recommendation:**

The Assembly should begin to make incremental decisions to expend accumulated fund balance on key community priorities while keeping a focus on the bigger financial pictures. Several necessary steps include:

> In the short run: Consider allocating an additional $2.5M to the ABP and $500,000 to the Centennial Hall Renovation projects. Provide recommendation(s) to the Assembly and/or Finance Committee.
>
> In the medium term: The Assembly Finance Committee should have a big picture conversation about how to manage fund balance with regard to capital projects. One obvious concept is to consider allocation of a significant portion towards the City Hall project, which ultimately will reduce operating costs.
>
> When appropriate: Discuss with the Finance Committee the level of fund balance that should be maintained to buffer against revenue volatility and uncertainty, cash flow needs.
>
> After the Budget: Set aside time for consideration of large projects that may be funded by unrestricted fund balance, a 1% Sales Tax extension, and/or new general obligation debt.

## FY19-FY23 Budget Summary and Impact on Fund Balances



| Row | | Revenues | Expenditures | Surplus (Deficit) | Unrestricted Fund Balance |
|---|---|---|---|---|---|
| | **FY2021** | | | | |
| 1 | **Manager Proposed Budget** | **$ 152,721,100** | **$ (160,022,100)** | **$ (7,301,000)** | **$ 18,252,900** |
| 2 | | | | | |
| 28 | **Assembly Adopted Budget** | **$ 157,129,500** | **$ (152,163,600)** | **$ 4,965,900** | **$ 30,519,800** |
| 29 | | | | | |
| 59 | **Final Year-End (audited)** | **$ 158,916,400** | **$ (157,005,900)** | **$ 1,910,500** | **$ 27,464,400** |
| 60 | | | | | |
| 61 | **FY2022** | | | | |
| 101 | **Manager Proposed Budget** | **$ 158,632,100** | **$ (166,440,700)** | **$ (7,808,600)** | **$ 19,655,800** |
| 102 | | | | | |
| 122 | **Assembly Adopted Budget** | **$ 162,239,300** | **$ (167,608,800)** | **$ (5,369,500)** | **$ 22,094,900** |
| 123 | | | | | |
| 124 | Statter Harbor Phase IIIC/Seawalk CIPs | | $ (5,500,000) | | |
| 125 | Deferred Maintenance (CBJ Facilities, schools, parks, etc) *pending* | | $ (5,500,000) | | |
| 126 | Purchase of Harris Harbor Boat Yard | | $ (2,000,000) | | |
| 127 | Eaglecrest Gondola Purchase | | $ (2,000,000) | | |
| 128 | Capital Civic Center | | $ (2,000,000) | | |
| 129 | EOC Expenditures | | $ (1,000,000) | | |
| 130 | Ballot Processing Center Capital Project | | $ (700,000) | | |
| 131 | Grant/MPF Funded Supplemental Appropriations in the General Fund | $ 286,600 | $ (286,600) | | |
| 132 | The Glory Hall Sheltering Support | | $ (150,000) | | |
| 133 | Grant Writer Position | | $ (120,000) | | |
| 134 | CDD Plat Reviewer Position | | $ (70,000) | | |
| 135 | Increased Assembly/Planning Commissioner Compensation | | $ (27,800) | | |
| 136 | Support for Celebration | | $ (25,000) | | |
| 137 | Additional Support to JSD for Ice Time *pending* | | $ (10,000) | | |
| 138 | Supplemental Appropriations | $ 286,600 | $ (19,389,400) | | |
| 139 | | | | | |
| 140 | Anticipated Lapse | | $ 1,500,000 | | |
| 141 | ARPA Funds Replacing SMPFs | $ 11,942,000 | | | |
| 142 | ARPA SOA Local Government Lost Revenue Grant | $ 9,300,000 | | | |
| 143 | Sales Tax Revenue Above/(Below) Forecast | $ 3,500,000 | | | |
| 144 | Mill Rate Reduction Not Included in Budget | $ (540,000) | | | |
| 145 | Reimbursed School Bond Debt Reduced from 50% to 41.8% | $ (458,500) | | | |
| 146 | Anticipated Variances | $ 23,743,500 | $ 1,500,000 | | |
| 147 | | | | | |
| 148 | **Final Year-End (projected)** | **$ 186,269,400** | **$ (185,498,200)** | **$ 771,200** | **$ 28,235,600** |

# Fund Source

**Project/Program Recommendation**

| | Fund Balance | 1% Sales Tax Extension | GO Bonds | **Notes:** |
|---|---|---|---|---|
| AB Pool Reno Inflation Costs | 3 | | | |
| Affordable Housing Fund | 5 | 3 | | |
| CBJ Facility Maintenance | | 8 | | |
| CCFR Ladder Truck Replacement | | 1.2 | | |
| Eaglecrest Gondola Installation (8) | | | | Installation Discussion TBD |
| Harbor Projects/Grant Match | | 5 | | |
| Information Technology Systems | 1.5 | 3 | | |
| JPD Radio System Replacement | 0.5 | 2 | ? | Grants |
| JSD Facility Maintenance | | 5 | 5 | State support TBD |
| Lemon Creek Multi Modal Path Match | 1 | | | Grants |
| New City Hall | 6.3 | 6.3 | 13 | Additional funding from Reduced Rent |
| Parks/Trails/Sportsfields | | 5 | 3 | |
| Pederson Hill Development | | 3 | | Lands Fund additonal fund source |
| Restricted Budget Reserve | | 2.5 | | |
| North Douglas Crossing Planning | 0.25 | | | |
| North SOB Parking | | 5 | | |
| Street Maintenance Shop Bays | | 2 | | |
| Teal Street Center Inflation Costs | 1.3 | | | |
| Telephone Hill Redevelopment | | 3 | | |
| USGOV Federal Match | 1 | | | |
| Waterfront Museum | | 4 | | Passenger Fees, Capital Fund Advisors, Grants |
| West Douglas Extension | | 2 | | |
| **Totals (Millions):** | 19.9 | 60 | | |

**Single Item Cap - Exempt Sales and Foregone Sales Tax Revenue**

| | Exempt Sales | Foregone Tax |
|---|---|---|
| Fuel | $ 18,948,417 | $ 947,421 |
| Building Mats., Hardware, Garden & Mobile | $ 18,743,005 | $ 937,150 |
| General Building Contractors | $ 15,725,749 | $ 786,287 |
| Rental & Leasing Services | $ 6,726,649 | $ 336,332 |
| Real Estate Rental | $ 6,108,609 | $ 305,430 |
| Wholesale Trade | $ 4,059,916 | $ 202,996 |
| Air Transportation | $ 1,687,600 | $ 84,380 |
| Auto Repair Services & Garages | $ 659,972 | $ 32,999 |
| Special Trade Construction Contractors | $ 122,170 | $ 6,109 |
| Sporting Goods, Hobby, Book & Music | $ 54,945 | $ 2,747 |
| Hotels & Other Lodging Places | $ 41,490 | $ 2,075 |
| Truck Transportation | $ 22,091 | $ 1,105 |
| Apparel & Accessory Stores | $ 4,249 | $ 212 |
| Adm Support & wast Management & remediation Services | $ 363 | $ 18 |
| Total Single-Item Cap Exemption | $ 72,905,224 | $ 3,645,261 |

*Based on 2021 sales tax returns*

**Single Service Cap - Exempt Sales and Foregone Sales Tax Revenue**

| | Exempt Sales | Foregone Tax |
|---|---|---|
| Utilities | $ 9,548,874 | $ 477,444 |
| General Building Contractors | $ 7,169,536 | $ 358,477 |
| Eating & Drinking Places | $ 6,224,480 | $ 311,224 |
| Scenic & Sightseeing Transportation | $ 3,760,096 | $ 188,005 |
| Real Estate Rental | $ 2,973,785 | $ 148,689 |
| Special Trade Construction Contractors | $ 2,785,272 | $ 139,264 |
| Adm Support & wast Management & remediation Services | $ 2,388,545 | $ 119,427 |
| Building Mats., Hardware, Garden & Mobile | $ 1,693,961 | $ 84,698 |
| Wholesale Trade | $ 1,615,795 | $ 80,790 |
| Other Professional, Scientific & Technical Services | $ 1,201,895 | $ 60,095 |
| Legal Services | $ 1,119,859 | $ 55,993 |
| Publishing | $ 726,820 | $ 36,341 |
| Waste Management & Remediation | $ 700,313 | $ 35,016 |
| Accounting, Tax Prep, Bookkeeping & Payroll | $ 600,849 | $ 30,042 |
| Metal Mining | $ 254,330 | $ 12,717 |
| Architectural, Engineering & Related Services | $ 187,778 | $ 9,389 |
| Truck Transportation | $ 107,257 | $ 5,363 |
| Computer Systems Design & Related Services | $ 80,324 | $ 4,016 |
| Broadcasting + internet | $ 30,780 | $ 1,539 |
| Auto Repair Services & Garages | $ 23,109 | $ 1,155 |
| Management of Companies (Holding Companies) | $ 19,847 | $ 992 |
| Machinery Manufacturing | $ 11,745 | $ 587 |
| Support Activities for Transportation | $ 5,000 | $ 250 |
| Fishing, Hunting, and Trapping | $ 3,980 | $ 199 |
| Motion Picture & Sound | $ 240 | $ 12 |
| Specialized Design Services | $ 140 | $ 7 |
| Total Single-Service Cap Exemption | $ 43,234,608 | $ 2,161,730 |

*Based on 2021 sales tax returns*

Prepared by CBJ Finance
4/29/2022

# Maximum sales tax thresholds and what they mean for you

Gail Cole Sep 10, 2019



In most parts of most states, sales and use tax applies to the full sales price of a taxable transaction. But, that's not the case everywhere. Local taxing jurisdictions in a handful of states limit the amount of local tax owed on a single item.

Seasoned sellers based in these jurisdictions are doubtless aware of these rules, but remote sellers new to collecting tax in those jurisdictions may not be. As a result, they're at risk of over-collecting sales or use tax.

## Arkansas

There's a local sales tax cap on certain single transactions in Alabama. The cap used to apply to single transactions across the board. However, as of January 1, 2008, the local tax cap on single transactions applies only to sales of the following:

- Aircraft
- Manufactured housing
- Motor vehicles licensed for highway use
- Watercraft

Arkansas eliminated the broader local sales tax cap in order to be compliant with the Streamlined Sales and Use Tax Agreement.

Streamlined Sales Tax (SST) member states like Arkansas strive to make sales and use tax administration simpler and less expensive for businesses, especially remote businesses — and the broader local sales tax cap certainly complicates compliance.

**A rebate for business expenses**

Whereas a sales tax cap limits the amount of tax a seller can collect on a transaction, a rebate reduces the amount of sales tax a buyer ultimately pays, but only if the buyer requests a rebate. In this scenario, a seller collects all the tax and eligible buyers then apply for a refund.

Qualifying businesses in Arkansas are eligible for a rebate or refund of any local sales tax paid to suppliers for a qualifying business purchase exceeding $2,500. A qualifying business purchase is a purchase of tangible personal property or a taxable service for which a business can claim a business expense deduction or depreciation deduction for federal income tax purposes.

Businesses that hold active Arkansas sales and use tax permits and file excise tax returns with the Arkansas Department of Finance and Administration (DTFA) can deduct the amount of additional city and county tax paid. Businesses that don't hold an active sales and use tax permit should use the Claim for Local Tax Rebate Form (Number ET-179A).

Businesses have up to one year to request a rebate. The clock starts on the sooner of the date of purchase or the date of payment of tax to the seller. Additional information is available from the DTFA's Sales and Use Tax FAQs.

## North Dakota

North Dakota allows localities to cap the amount of local tax due. Like Arkansas, North Dakota is an SST member state that doesn't restrict businesses to collecting the maximum tax. On the other hand, North Dakota handles the maximum tax differently than Arkansas.

**Maximum tax amount (refund cap)**

The maximum tax in North Dakota is the maximum amount of local tax that can apply to a single transaction. Not all cities and counties have a maximum local tax. In those that do, it ranges from $12.50 to $100 per sale.

Retailers can choose to collect the total local tax or only the maximum local tax, so long as they're consistent and apply the same method to all sales. If retailers collect the total local tax, they can choose to refund the excess tax themselves.

If the seller collects the total local tax and doesn't refund the consumer, the purchaser can obtain a refund of the excess local tax paid by applying to the North Dakota Tax Commissioner for a maximum tax amount (refund cap). According to the Claim for Refund Local Sales Tax Paid Beyond Maximum Tax instructions, any person who paid the retailer more than the maximum local tax on a purchase of tangible personal property is eligible for the refund. Additional information is available from the North Dakota Office of State Tax Commissioner.

## Tennessee

There's a local single article tax limitation in Tennessee: Local sales or use tax applies only to the first $1,600 of the sales price of any single article of tangible personal property in most jurisdictions, though the single local sales and use tax limit can be as low as $300 in some parts of the state. A single article of tangible personal property is defined as one item, excluding accessories, that can be sold as an independent unit.



Tennessee also has an additional state single article tax rate of 2.75 percent for the lease, rental, or sale of a single article of tangible personal property priced from $1,600.01 to (and including) $3,200.

Confused? You're not alone, so the Tennessee Department of Revenue provides the following example to illustrate the local single article tax and state single article tax.

For a single item priced at $20,000:

- The general state sales tax (7 percent) applies to the full $20,000
- The local option sales tax (rates vary) applies to the first $1,600 only
- The additional state single article sales tax (2.75 percent) applies to second $1,600 ($1,600.01–$3,200)

The department also specifies how the single article tax limitation applies to sales of boats, computer software maintenance contracts, custom computer software, prewritten computer software, and warranty contracts.

**Boats.** Motors and dealer-installed accessories installed prior to the sale are considered part of the boat (the single article) and thus are subject to the single article local tax limitation. The same is true for freight and labor charges. However, boat trailers and items such as personal flotation devices are not considered part of the single item.

**Computer software maintenance contracts.** The local single article tax limitation and the additional state single article tax don't apply to computer software maintenance contracts.

**Custom computer software.** Single article tax laws don't apply to custom computer software or to charges for the customization of prewritten software.

**Prewritten computer software.** Single article tax laws apply to sales of prewritten computer software. Therefore, local tax applies to the first $1,600 only, and the additional 2.75 percent state single article tax applies to the second $1,600. The 7 percent state tax applies to the full price.

**Warranty contracts.** Single article tax laws don't apply to warranty sales. Extended warranty charges purchased along with a single item must be separately stated.

## Other states

While Arkansas, North Dakota, and Tennessee aren't the only states that have maximum tax caps, the cap in many states applies to certain products only.

For example:

**Florida**

Localities in Florida can limit the amount of local tax (the discretionary sales surtax) that applies to a single sale of tangible personal property. In those that do, local tax applies only to the first $5,000 of the lease, rental, sale, or use of a single item of tangible personal property. The cap doesn't apply to the rental of real property, transient rentals, or services.

Fun fact: The maximum tax on the sale of a boat or vessel in Florida (including the discretionary sales surtax) is $18,000; the maximum tax on the repair of a boat or vessel is $60,000.

**New Jersey**

New Jersey provides a 50-percent sales and use tax exemption on new and used boats and other vessels. Additionally, the sales and use tax on those purchases is capped at $20,000.

**North Carolina**

In North Carolina, the retail sale of an aircraft (including all attached accessories) is subject to the general state rate of 4.75 percent, with a maximum tax of $2,500. Local sales and use tax doesn't apply to these sales at all.

**South Carolina**

In South Carolina, a maximum sales tax of $500 applies to certain items, including:

- Aircraft
- Boats
- Motorcycles and motor vehicles
- Recreational vehicles (e.g., tent campers, travel trailers, etc.)
- Self-propelled light construction equipment (restrictions apply)
- Trailers or semitrailers pulled by a truck tractor, and horse trailers

In addition:



- There's a maximum tax of $300 on the sale of musical instruments and office equipment sold to religious organizations.
- Sales tax is capped at $300 on the sale of certain energy-efficient manufactured homes.
- The first 35 percent of the selling price of a new or used mobile home is exempt, after which the maximum tax of $300 applies, plus 2 percent of the remaining sales price exceeding $6,000 (unless certain energy-efficient levels are met).

**Texas**

The maximum amount of local sales and use tax due on a sale in the Lone Star State is 2 percent. According to the Texas Comptroller, "If a local use tax cannot be collected or accrued at its full rate without going over 2 percent, you cannot collect it."

**Virginia**

There is a maximum tax of $2,000 on watercraft sold in Virginia. Furthermore, sales of aircraft and watercraft are subject to a reduced rate of tax.

Such maximum taxes are undoubtedly appreciated by consumers. For businesses, however, they add a layer of complexity. If you sell a variety of products into multiple states, you're likely to encounter a maximum sales tax cap at some point. Automating sales tax management makes dealing with them much easier.

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NEW JERSEY TENNESSEE VIRGINIA ARKANSAS SOUTH CAROLINA FLORIDA NORTH CAROLINA NORTH DAKOTA TEXAS SALES AND USE TAX

Sales tax rates, rules, and regulations change frequently. Although we hope you'll find this information helpful, this blog is for informational purposes only and does not provide legal or tax advice.

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**Single Item Sales Tax Caps in Alaska Jurisdictions**
Provided by the Alaska Remote Sellers Sales Tax Commission (ARSSTC)


| Jurisdiction | Tax cap (Y/N) | Title | Portion of sales price subject to sales tax | Maximum Tax |
|---|---|---|---|---|
| Adak, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Adak, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Adak, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Adak, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Aleknagik, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Aleknagik, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Aleknagik, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Aleknagik, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Anchorage, Municipality of | N | N/A | Full Sales Price - No Cap | No Maximum |
| Aniak, City of | Y | Is there a sales tax cap on a single item? | $ 1,000.00 | $ 20.00 |
| Aniak, City of | Y | Is there a sales tax cap on a transaction? | $ 1,000.00 | $ 20.00 |
| Aniak, City of | Y | Is there a sales tax cap on a single service? | $ 1,000.00 | $ 20.00 |
| Aniak, City of | Y | Vehicle Sale | Fully Exempt | No Tax |
| Bethel, City of | Y | Is there a sales tax cap on a single item? | $ 10,000.00 | $ 600.00 |
| Bethel, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Bethel, City of | Y | Is there a sales tax cap on a single service? | $ 12,000.00 | $ 720.00 |
| Bethel, City of | Y | Vehicle Sale | $ 10,000.00 | $ 600.00 |
| Cordova, City of | Y | Is there a sales tax cap on a single item? | $ 3,000.00 | $ 180.00 |
| Cordova, City of | Y | Is there a sales tax cap on a transaction? | $ 3,000.00 | $ 180.00 |
| Cordova, City of | Y | Is there a sales tax cap on a single service? | $ 3,000.00 | $ 180.00 |
| Cordova, City of | Y | Vehicle Sale | $ 3,000.00 | $ 180.00 |
| Craig, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Craig, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Craig, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Craig, City of | Y | Vehicle Sale | $ 5,000.00 | $ 250.00 |
| Dillingham, City of | Y | Is there a sales tax cap on a single item? | $ 3,500.00 | $ 210.00 |
| Dillingham, City of | Y | Is there a sales tax cap on a transaction? | $ 3,500.00 | $ 210.00 |
| Dillingham, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Dillingham, City of | Y | Vehicle Sale | $ 3,500.00 | $ 210.00 |
| Gustavus, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Gustavus, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Gustavus, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Gustavus, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Haines Borough | Y | Is there a sales tax cap on a single item? | $ 10,000.00 | $ 550.00 |
| Haines Borough | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Haines Borough | Y | Is there a sales tax cap on a single service? | $ 5,000.00 | $ 275.00 |
| Haines Borough | Y | Vehicle Sale | $ 10,000.00 | $ 550.00 |
| Homer, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 39.25 |
| Homer, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 39.25 |
| Homer, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 39.25 |
| Homer, City of | Y | Vehicle Sale | $ 500.00 | $ 39.25 |
| Houston, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 10.00 |
| Houston, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 10.00 |
| Houston, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 10.00 |
| Houston, City of | Y | Vehicle Sale | $ 500.00 | $ 10.00 |
| Juneau, City and Borough of | Y | Is there a sales tax cap on a single item? | $ 12,800.00 | $ 640.00 |
| Juneau, City and Borough of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Juneau, City and Borough of | Y | Is there a sales tax cap on a single service? | $ 12,800.00 | $ 640.00 |
| Juneau, City and Borough of | Y | Vehicle Sale | $ 12,800.00 | $ 640.00 |
| Kenai Peninsula Borough | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 15.00 |
| Kenai Peninsula Borough | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 15.00 |
| Kenai Peninsula Borough | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 15.00 |
| Kenai Peninsula Borough | Y | Vehicle Sale | $ 500.00 | $ 15.00 |
| Kenai, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 30.00 |
| Kenai, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 30.00 |
| Kenai, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 30.00 |
| Kenai, City of | Y | Vehicle Sale | $ 500.00 | $ 30.00 |
| Ketchikan, City of | Y | Is there a sales tax cap on a single item? | $ 2,000.00 | $ 130.00 |
| Ketchikan, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Ketchikan, City of | Y | Is there a sales tax cap on a single service? | $ 2,000.00 | $ 130.00 |
| Ketchikan, City of | Y | Vehicle Sale | $ 2,000.00 | $ 130.00 |
| Ketchikan Gateway Borough | Y | Is there a sales tax cap on a single item? | $ 2,000.00 | $ 50.00 |
| Ketchikan Gateway Borough | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Ketchikan Gateway Borough | Y | Is there a sales tax cap on a single service? | $ 2,000.00 | $ 50.00 |
| Ketchikan Gateway Borough | Y | Vehicle Sale | $ 2,000.00 | $ 50.00 |
| Kodiak, City of | Y | Is there a sales tax cap on a single item? | $ 3,000.00 | $ 210.00 |

| | | | | |
|---|---|---|---|---|
| Kodiak, City of | Y | Is there a sales tax cap on a transaction? | $ 3,000.00 | $ 210.00 |
| Kodiak, City of | Y | Is there a sales tax cap on a single service? | $ 3,000.00 | $ 210.00 |
| Kodiak, City of | Y | Vehicle Sale | $ 3,000.00 | $ 210.00 |
| Kotzebue, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Kotzebue, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Kotzebue, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Kotzebue, City of | Y | Vehicle Sale-only ATV, Snow machine, Boat, Auto | $ 1,000.00 | $ 60.00 |
| Mountain Village, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Mountain Village, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Mountain Village, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Mountain Village, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Nenana, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Nenana, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Nenana, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Nenana, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Nome, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Nome, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Nome, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Nome, City of | Y | Vehicle Sale - Snowmachine / ATV only | $ 1,500.00 | $ 75.00 |
| North Pole, City of | Y | Is there a sales tax cap on a single item? | $ 200.00 | $ 11.00 |
| North Pole, City of | Y | Is there a sales tax cap on a transaction? | $ 200.00 | $ 11.00 |
| North Pole, City of | Y | Is there a sales tax cap on a single service? | $ 200.00 | $ 11.00 |
| North Pole, City of | Y | Vehicle Sale | $ 200.00 | $ 11.00 |
| Ouzinkie, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Ouzinkie, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Ouzinkie, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Ouzinkie, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Palmer, City of | Y | Is there a sales tax cap on a single item? | $ 1,000.00 | $ 30.00 |
| Palmer, City of | Y | Is there a sales tax cap on a transaction? | $ 1,000.00 | $ 30.00 |
| Palmer, City of | Y | Is there a sales tax cap on a single service? | $ 1,000.00 | $ 30.00 |
| Palmer, City of | Y | Vehicle Sale | $ 1,000.00 | $ 30.00 |
| Pelican, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Pelican, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Pelican, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Pelican, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Petersburg Borough | Y | Is there a sales tax cap on a single item? | $ 1,200.00 | $ 72.00 |
| Petersburg Borough | Y | Is there a sales tax cap on a transaction? | $ 1,200.00 | $ 72.00 |
| Petersburg Borough | Y | Is there a sales tax cap on a single service? | $ 1,200.00 | $ 72.00 |
| Petersburg Borough | Y | Vehicle Sale | $ 1,200.00 | $ 72.00 |
| Saint Paul, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Saint Paul, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Saint Paul, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Saint Paul, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Saxman, City of | Y | Is there a sales tax cap on a single item? | $ 2,000.00 | $ 130.00 |
| Saxman, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Saxman, City of | Y | Is there a sales tax cap on a single service? | $ 2,000.00 | $ 130.00 |
| Saxman, City of | Y | Vehicle Sale | $ 2,000.00 | $ 130.00 |
| Selawik, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Selawik, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Selawik, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Selawik, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Seldovia, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 47.50 |
| Seldovia, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 47.50 |
| Seldovia, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 47.50 |
| Seldovia, City of | Y | Vehicle Sale | $ 500.00 | $ 47.50 |
| Seward, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 35.00 |
| Seward, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 35.00 |
| Seward, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 35.00 |
| Seward, City of | Y | Vehicle Sale | $ 500.00 | $ 35.00 |
| Sitka, City and Borough of | Y | Is there a sales tax cap on a single item? | $ 12,000.00 | $ 720.00 |
| Sitka, City and Borough of | Y | Is there a sales tax cap on a transaction? | $ 12,000.00 | $ 720.00 |
| Sitka, City and Borough of | Y | Is there a sales tax cap on a single service? | $ 12,000.00 | $ 720.00 |
| Sitka, City and Borough of | Y | Vehicle Sale | $ 12,000.00 | $ 720.00 |
| Soldotna, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 30.00 |
| Soldotna, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 30.00 |
| Soldotna, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 30.00 |
| Soldotna, City of | Y | Vehicle Sale | $ 500.00 | $ 30.00 |
| Tenakee Springs, City of | Y | Is there a sales tax cap on a single item? | $ 7,500.00 | $ 150.00 |

| | | | | |
|---|---|---|---|---|
| Tenakee Springs, City of | Y | Is there a sales tax cap on a transaction? | $ 7,500.00 | $ 150.00 |
| Tenakee Springs, City of | Y | Is there a sales tax cap on a single service? | $ 7,500.00 | $ 150.00 |
| Tenakee Springs, City of | Y | Vehicle Sale | $ 7,500.00 | $ 150.00 |
| Thorne Bay, City of | Y | Is there a sales tax cap on a single item? | $ 7,500.00 | $ 450.00 |
| Thorne Bay, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Thorne Bay, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Thorne Bay, City of | Y | Vehicle Sale | $ 7,500.00 | $ 450.00 |
| Togiak, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Togiak, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Togiak, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Togiak, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Toksook Bay, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Toksook Bay, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Toksook Bay, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Toksook Bay, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Unalaska, City of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Unalaska, City of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Unalaska, City of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Unalaska, City of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |
| Wasilla, City of | Y | Is there a sales tax cap on a single item? | $ 500.00 | $ 12.50 |
| Wasilla, City of | Y | Is there a sales tax cap on a transaction? | $ 500.00 | $ 12.50 |
| Wasilla, City of | Y | Is there a sales tax cap on a single service? | $ 500.00 | $ 12.50 |
| Wasilla, City of | Y | Vehicle Sale | $ 500.00 | $ 12.50 |
| Wrangell, City and Borough of | Y | Is there a sales tax cap on a single item? | $ 3,000.00 | $ 210.00 |
| Wrangell, City and Borough of | Y | Is there a sales tax cap on a transaction? | $ 3,000.00 | $ 210.00 |
| Wrangell, City and Borough of | Y | Is there a sales tax cap on a single service? | $ 3,000.00 | $ 210.00 |
| Wrangell, City and Borough of | Y | Vehicle Sale | $ 3,000.00 | $ 210.00 |
| Yakutat, City and Borough of | N | Is there a sales tax cap on a single item? | Full Sales Price - No Cap | No Maximum |
| Yakutat, City and Borough of | N | Is there a sales tax cap on a transaction? | Full Sales Price - No Cap | No Maximum |
| Yakutat, City and Borough of | N | Is there a sales tax cap on a single service? | Full Sales Price - No Cap | No Maximum |
| Yakutat, City and Borough of | N | Vehicle Sale | Full Sales Price - No Cap | No Maximum |

**Impact of a Seasonal Sales Tax Increase and Food Exemption on Living Wage**

Prepared by Jeff Rogers, Finance Director, for the CBJ Assembly Finance Committee

November 23, 2019

## Introduction

This paper attempts to respond to questions from the CBJ Assembly Finance Committee about the impact of a seasonal sales tax rate in conjunction with a sales tax exemption on unprepared food. In particular, this paper will consider the impact of these changes on wages at various levels of income.

## Assumptions

This analysis assumes:

- Number of Juneau resident households is 12,273
- Number of summer visitors is 1,300,000
- "Unprepared food" is defined by the Bureau Labor of Statistics as "food for home"
- "Other taxable items" shall be the sum of all other BLS categories of taxable expenditures
- Summer visitors pay 18% of CBJ sales tax annually (based on analysis by Bonnie Chaney 2019)
- Of the amount that summer visitors spend, only 5% is spend on "food for home"
- CBJ taxes $1 billion in sales of goods and services to generate $50 million in sales tax revenue

## Methodology

The attached calculation estimates impact in the following steps:

1. CBJ gross taxable sales are allocated between residents and visitors using the assumptions above
2. Sales tax generated is calculated for two scenarios
    a. Status quo scenario: 5% year-round rate with food subject to tax
    b. Contemplated scenario: 5%/6% seasonal rate with unprepared food exempt
3. The difference between these two scenarios is calculated for residents and visitors and divided by the number of resident households and summer visitors
4. National Bureau of Labor Statistics regarding income and expenditures is localized to Juneau based on taxes actually paid
5. Sales tax and % of income/expenditure by income quartile is calculated for two scenarios
    a. Status quo scenario: 5% year-round rate with food subject to tax
    b. Contemplated scenario: 5%/6% seasonal rate with food-for-home exempt
6. The difference between these two scenarios is calculated

## Result of Analysis: Estimated Impact

| | | | | | |
|---|---|---|---|---|---|
| Annual Sales Tax Savings for Residents | $ | **1,760,854** | Annual Sales Tax Increase on Visitors | $ | **1,260,000** |
| Annual Sales Tax Savings per Resident Household | $ | **143.47** | Additional Sales Tax Cost per Visitor | $ | **0.97** |

| **Annual Savings from 5%/6% Rate and Food Exemption** | | | **Income Level** | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Annual Sales Tax Savings per Resident Household | $ 132.13 | $ 172.84 | $ 156.00 | $ 162.66 | $ 93.13 | $ 143.47 |
| Annual Savings as % of Resident Household Income | 0.58% | 0.28% | 0.14% | 0.09% | 0.02% | 0.09% |
| Annual Savings as % of Resident Household Expenditure | 0.25% | 0.21% | 0.15% | 0.12% | 0.04% | 0.11% |
| | | | | | Total Annual Sales Tax Savings by Residents | $ 1,760,854 |

**ESTIMATED IMPACT OF 5%/6% SEASONAL RATE AND FOOD EXEMPTION**

Analysis of Variable Impact on Visitors and Resident Households

Prepared by Jeff Rogers, Finance Director, City and Borough of Juneau

| | | All Payers | | |
|---|---|---|---|---|
| | | **Food** | **Non-Food** | **Subtotal** |
| **Gross Sales** | Q1 | $ 26,464,871 | $ 152,969,433 | $ 179,434,304 |
| | Q2 | $ 30,430,917 | $ 246,887,275 | $ 277,318,192 |
| | Q3 | $ 31,973,141 | $ 307,130,112 | $ 339,103,253 |
| | Q4 | $ 31,951,619 | $ 172,192,633 | $ 204,144,251 |
| | **Total** | $ 120,820,548 | $ 879,179,452 | **$ 1,000,000,000** |

| **Variables** | |
|---|---|
| % of Annual Sales to Visitors | 18% |
| % of Visitors Sales on Food | 5% |
| **Assumptions** | |
| Resident Households | 12,273 |
| Summer Visitors | 1,300,000 |
| Juneau/BLS Adjustment (Food) | 208.8% |
| Juneau/BLS Adjustment (Other) | 190.9% |

| | | **Residents** | | | **Visitors** | | | All Payers |
|---|---|---|---|---|---|---|---|---|
| | | Food | Non-Food | **Subtotal** | Food | Non-Food | **Subtotal** | Total |
| **Gross Sales** | Q1 | $ 26,464,871 | $ 152,969,433 | $ 179,434,304 | $ - | $ - | $ - | $ 179,434,304 |
| | Q2 | $ 26,420,238 | $ 170,684,389 | $ 197,104,627 | $ 4,010,678 | $ 76,202,887 | $ 80,213,565 | $ 277,318,192 |
| | Q3 | $ 26,983,820 | $ 212,332,998 | $ 239,316,818 | $ 4,989,322 | $ 94,797,113 | $ 99,786,435 | $ 339,103,253 |
| | Q4 | $ 31,951,619 | $ 172,192,633 | $ 204,144,251 | $ - | $ - | $ - | $ 204,144,251 |
| | **Total** | $ 111,820,548 | $ 708,179,452 | **$ 820,000,000** | $ 9,000,000 | $ 171,000,000 | **$ 180,000,000** | $ 1,000,000,000 |

| | | **Residents** | | | **Visitors** | | | All Payers |
|---|---|---|---|---|---|---|---|---|
| | | Food | Non-Food | **Subtotal** | Food | Non-Food | **Subtotal** | Total |
| **Status Quo Tax Revenue** | Q1 | $ 1,323,244 | $ 7,648,472 | $ 8,971,715 | $ - | $ - | $ - | $ 8,971,715 |
| | Q2 | $ 1,321,012 | $ 8,534,219 | $ 9,855,231 | $ 200,534 | $ 3,810,144 | $ 4,010,678 | $ 13,865,910 |
| | Q3 | $ 1,349,191 | $ 10,616,650 | $ 11,965,841 | $ 249,466 | $ 4,739,856 | $ 4,989,322 | $ 16,955,163 |
| | Q4 | $ 1,597,581 | $ 8,609,632 | $ 10,207,213 | $ - | $ - | $ - | $ 10,207,213 |
| | **Total** | $ 5,591,027 | $ 35,408,973 | **$ 41,000,000** | $ 450,000 | $ 8,550,000 | **$ 9,000,000** | $ 50,000,000 |

| | | **Residents** | | | **Visitors** | | | All Payers |
|---|---|---|---|---|---|---|---|---|
| **Tax Revenue with 5%/6% Rate and Food Exemption** | | Food | Non-Food | **Subtotal** | Food | Non-Food | **Subtotal** | Total |
| | Q1 | $ - | $ 7,648,472 | $ 7,648,472 | $ - | $ - | $ - | $ 7,648,472 |
| | Q2 | $ - | $ 10,241,063 | $ 10,241,063 | $ - | $ 4,572,173 | $ 4,572,173 | $ 14,813,237 |
| | Q3 | $ - | $ 12,739,980 | $ 12,739,980 | $ - | $ 5,687,827 | $ 5,687,827 | $ 18,427,807 |
| | Q4 | $ - | $ 8,609,632 | $ 8,609,632 | $ - | $ - | $ - | $ 8,609,632 |
| | **Total** | $ - | $ 39,239,146 | **$ 39,239,146** | $ - | $ 10,260,000 | **$ 10,260,000** | $ 49,499,146 |

| | | | |
|---|---|---|---|
| Annual Sales Tax Savings for Residents | **$ 1,760,854** | Annual Sales Tax Increase on Visitors | **$ 1,260,000** |
| Annual Sales Tax Savings per Resident Household | **$ 143.47** | Additional Sales Tax Cost per Visitor | **$ 0.97** |

**ESTIMATED IMPACT OF 5%/6% SEASONAL RATE AND FOOD EXEMPTION**

Analysis of Variable Impact on Visitors and Resident Households

Prepared by Jeff Rogers, Finance Director, City and Borough of Juneau

| **National BLS Data (2017)** | **Income Level** | | | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Annual Household Income | $ 11,394 | $ 29,821 | $ 52,431 | $ 86,363 | $ 188,103 | $ 73,573 |
| Annual Household Expenditures | $ 26,019 | $ 39,300 | $ 50,470 | $ 67,604 | $ 116,988 | $ 60,060 |
| Amount Spent on Food at Home | $ 2,582 | $ 3,622 | $ 4,038 | $ 4,893 | $ 6,677 | $ 4,363 |
| Amount Spent on Other Taxable Items | $ 13,316 | $ 19,891 | $ 25,730 | $ 33,732 | $ 58,511 | $ 30,230 |

| **National BLS Data Adjusted to Juneau Tax Data** | **Income Level** | | | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Annual Household Income | $ 22,771 | $ 62,274 | $ 109,490 | $ 180,349 | $ 392,809 | $ 153,640 |
| Annual Household Expenditures | $ 51,999 | $ 82,069 | $ 105,395 | $ 141,175 | $ 244,302 | $ 125,421 |
| Amount Spent on Food at Home | $ 5,392 | $ 7,564 | $ 8,432 | $ 10,218 | $ 13,943 | $ 9,111 |
| Amount Spent on Other Taxable Items | $ 25,417 | $ 37,967 | $ 49,113 | $ 64,387 | $ 111,684 | $ 57,702 |

| **Status Quo Tax Program** | **Income Level** | | | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Sales Tax paid on Food for Home | $ 269.60 | $ 378.18 | $ 421.62 | $ 510.89 | $ 697.17 | $ 455.56 |
| Sales Tax Paid on Other Taxable Items | $ 1,270.86 | $ 1,898.37 | $ 2,455.64 | $ 3,219.34 | $ 5,584.21 | $ 2,885.11 |
| Total Sales Tax Paid | $ 1,540.46 | $ 2,276.56 | $ 2,877.26 | $ 3,730.23 | $ 6,281.38 | $ 3,340.67 |
| Sales Tax Paid as % of Resident Household Income | 6.76% | 3.66% | 2.63% | 2.07% | 1.60% | 2.17% |
| Sales Tax Paid as % of Resident Household Expenditure | 2.96% | 2.77% | 2.73% | 2.64% | 2.57% | 2.66% |
| | | | | | Sales Tax Paid by Residents on Food for Home | $ 5,591,027 |
| | | | | | Sales Tax Paid by Residents on Other Taxable Items | $ 35,408,973 |
| | | | | | Total Sales Tax Paid by Residents | $ 41,000,000 |

| **Tax Program with 5%/6% Rate and Food Exemption** | **Income Level** | | | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Sales Tax paid on Food for Home | $ - | $ - | $ - | $ - | $ - | $ - |
| Sales Tax Paid on Other Taxable Items: Q1 | $ 274.51 | $ 410.06 | $ 530.43 | $ 695.39 | $ 1,206.21 | $ 623.19 |
| Sales Tax Paid on Other Taxable Items: Q2 | $ 367.56 | $ 549.05 | $ 710.23 | $ 931.10 | $ 1,615.08 | $ 834.44 |
| Sales Tax Paid on Other Taxable Items: Q3 | $ 457.25 | $ 683.02 | $ 883.53 | $ 1,158.30 | $ 2,009.17 | $ 1,038.05 |
| Sales Tax Paid on Other Taxable Items: Q4 | $ 309.01 | $ 461.59 | $ 597.08 | $ 782.78 | $ 1,357.79 | $ 701.51 |
| Total Sales Tax Paid | $ 1,408.33 | $ 2,103.72 | $ 2,721.26 | $ 3,567.57 | $ 6,188.25 | $ 3,197.19 |
| Sales Tax Paid as % of Resident Household Income | 6.18% | 3.38% | 2.49% | 1.98% | 1.58% | 2.08% |
| Sales Tax Paid as % of Resident Household Expenditure | 2.71% | 2.56% | 2.58% | 2.53% | 2.53% | 2.55% |
| | | | | | Sales Tax Paid by Residents on Food for Home | $ - |
| | | | | | Sales Tax Paid by Residents on Other Taxable Items | $ 39,239,146 |
| | | | | | Total Sales Tax Paid by Residents | $ 39,239,146 |

| **Annual Savings from 5%/6% Rate and Food Exemption** | **Income Level** | | | | | |
|---|---|---|---|---|---|---|
| | Lowest Quintile | Second Quintile | Third Quintile | Fourth Quintile | Fifth Quintile | All Households |
| Annual Sales Tax Savings per Resident Household | $ 132.13 | $ 172.84 | $ 156.00 | $ 162.66 | $ 93.13 | $ 143.47 |
| Annual Savings as % of Resident Household Income | 0.58% | 0.28% | 0.14% | 0.09% | 0.02% | 0.09% |
| Annual Savings as % of Resident Household Expenditure | 0.25% | 0.21% | 0.15% | 0.12% | 0.04% | 0.11% |
| | | | | | Total Annual Sales Tax Savings by Residents | $ 1,760,854 |

# MEMORANDUM

**DATE:** May 2, 2022

**TO:** Assembly Finance Committee

**FROM:** Jeff Rogers, Finance Director

105 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

**SUBJECT:** **Follow Up on COW Questions about Sales Tax on Food**

In previous meetings, the Assembly has expressed a consensus interest in repealing sales tax on food for home consumption. Recently, the Assembly Committee of the Whole considered modifications to several existing exemptions, which resulted in some questions for research.

Single Item and Single Service Caps

I've attached a list of single-item/service sales tax caps from across Alaska. This list has been provided by the Alaska Remote Sellers Sales Tax Commission (ARSSTC), so it is inclusive of all member communities but it does not include the few small communities who are not yet members of the ARSSTC. As you'll see, single-item/service caps vary widely: many communities have no cap at all while some communities have single item caps as low as $200 (max $11 tax per single item). I've attached a brief summary from Avalara on statewide sales tax caps. Sales tax caps at the state level are rather rare, but they do exist, especially for certain items. See attached for a breakdown of exempt sales and foregone revenue for both Single Item and Single Service caps.

Of note, a single item/service sales tax cap makes sales taxation more regressive. As in, lower caps require higher tax rates to generate the same municipal tax revenue. Higher tax rates with lower caps mean that everybody pays more tax on lower-priced items and less tax on higher-priced items. Hence, lower tax caps may shift the tax burden from higher-income individuals/businesses who buy more higher-priced items to lower-income individuals/businesses who buy fewer higher-priced items.

Potential Revenue from Repealing Exemption of Sales by Non-Profits

In 2021, CBJ exempted approximately $27 million of sales by non-profit organizations, which foregoes approximately $1.4 million in annual revenue. However, of that $27 million, $16 million is in the category of senior & disability services or health & housing. Of that amount, the CBJ Sales Tax Office estimates that at least $12 million would remain exempted as health care or assisted living services (this estimate could be low). Repealing the exemption for Sales by Nonprofits for remaining $11 million of sales could generate as much as $550,000 in new sales tax revenue, but not likely more. That $550,000 in sales tax would be generated principally from non-profit sales in the broadcasting & education/youth categories, with a smaller portion being generated from non-profit sales in the arts, cultural, recreation, and affinity group categories.

Various Rate Possibilities

The Assembly requested to see rate options and their impact on CBJ sales tax revenue. The table to the right has been prepared from the most recent sales tax model, which is based on the FY19 actual sales tax returns (pre-pandemic local spending) adjusted to total FY22 forecasted sales tax. In the table, SNAP foods have been exempted. These estimates are the most accurate that the Finance Department can produce, but they are still generally low confidence and subject to significant variability.

| Winter (6 mos) | Summer (6 mos) | Gained/(Lost) Revenue |
|---|---|---|
| 5.00% | 5.00% | $ (6,200,000) |
| 5.25% | 5.25% | $ (3,900,000) |
| 5.50% | 5.50% | $ (1,600,000) |
| 5.75% | 5.75% | $ 700,000 |
| 6.00% | 6.00% | $ 3,000,000 |
| 5.00% | 5.25% | $ (4,800,000) |
| 5.00% | 5.50% | $ (3,300,000) |
| 5.00% | 5.75% | $ (1,800,000) |
| 5.00% | 6.00% | $ (400,000) |
| 5.00% | 6.25% | $ 1,100,000 |
| 4.00% | 6.00% | $ (3,700,000) |
| 4.00% | 6.25% | $ (2,300,000) |
| 4.00% | 6.50% | $ (800,000) |
| 4.00% | 6.75% | $ 600,000 |
| 3.00% | 7.00% | $ (1,200,000) |
| 3.00% | 7.25% | $ 200,000 |
| 2.00% | 7.75% | $ (200,000) |
| 0.00% | 9.00% | $ 400,000 |

Misconception of a Tax Increase

As the Assembly has considered and discussed the question of increasing the base sales tax rate to offset the lost revenue from the exemption of sales tax on food, I have sometimes heard commenters say "I don't support a tax increase." To be perfectly clear, nothing that is currently under consideration by the Assembly would increase sales taxes paid by residents. In fact, strategies under consideration would demonstrably reduce sales taxes paid by residents.

I've attached an analysis completed in November 2019 that indicated that 5%/6% seasonal rate with food exempted would result in an average annual tax reduction of $143.47 per household. As a percentage of household expenditure, the greatest tax relief accrues to those individuals in the lowest income brackets. As detailed in the attached narrative and calculation, this happens in large part because a higher base rate with food exempted shifts a greater portion of the sales tax burden to non-residents (visitors), with the analysis describing that each summer visitor would pay about $1.00 more in sales tax during their visit. These results might be slightly less favorable if calculated with a year-round increased rate, but the general trend would hold.

By way of comparison, reducing average annual household sales taxation by $143.47 is roughly equivalent to reducing the property tax mill rate by 0.4 mills for a family with a $350,000 home. Reductions to the property tax mill rate provides tax relief to families in proportion to the value of their home—those who own the most expensive homes get the greatest relief and those who own or rent more modest homes would see the least relief. However, the exemption of food from sales tax offset by a higher rate provides the greatest tax relief to lower income households.

Recommendation

I strongly recommend that the Assembly refrain from exempting food from sales tax without a strategy to either: 1.) Replace most or all of the lost revenue, or 2.) Reduce city expenditures sufficiently to offset lost revenue. To reduce city revenue by more than $6 million without new revenue or an offsetting reduction in expenditures would almost certainly create a substantial structural deficit that would require a future Assembly to eviscerate city services and infrastructure investments in order to balance the annual budget.

I applaud the effort to evaluate and potentially repeal or reduce existing exemptions. However, every existing exemption has a logic—there was a strong reason that a prior Assembly chose to implement it. And every existing exemption has a constituency—repealing an exemption always impacts a group may choose to be vocal in its own interest. For these reasons, repealing or reducing exemptions has rarely been an easy task. There may be good policy motivations to repeal or reduce current exemptions, but those policy motivations are likely separate and unrelated from the need to raise revenue to replace sales tax lost by exempting food. Hence, I recommend that you decouple efforts to repeal or reduce current exemptions from trying to remove sales tax on food.

In consideration of the long history of this subject and the Assembly's recent discussion, I recommend that you put the question to the voters. Quite simply: Does the public support exempting food from sales tax and replacing that lost revenue with a higher rate on non-food items?

**OFFICE OF THE MUNICIPAL CLERK/ ELECTION OFFICIAL**
City and Borough of Juneau (CBJ)
155 S. Seward St., Room 202
Juneau, Alaska 99801
Phone: (907)586-5278 x4175 Fax: (907)586-4552
email: Beth.McEwen@juneau.org

TO: Deputy Mayor Gladziszewski and Assembly Committee of the Whole

DATE: April 29, 2022

FROM: Beth McEwen, Municipal Clerk/Election Official

RE: Proposed Election Code Changes – Ordinance 2022-24COW

In preparation for the upcoming 2022 Municipal Election cycle, I have worked with Municipal Attorney Robert Palmer on the attached proposed election code Ordinance 2022-24COW. The purpose of these code changes is two-fold: 1) to bring the current code language into alignment with procedures and practices necessary to conduct an election using our new ballot processing center, and 2) to clean up or add clarifying language to those procedures we have been using to conduct elections in the past. Below is a short summary of the main changes you will find in Ordinance 2022-24COW.

- **Language alignment:** Throughout the ordinance you will see additional clarifying language such as "vote centers" wherever polling places are mentioned to allow for the most flexibility in the types of in-person options available to be used for any given election type.

- **Protecting voter personal identifiers:**
    - In the sections related to candidate filing petitions (Ord. 2022-24COW page 5) and initiative/referendum petitions (page 30), the current code language requires the voter to provide one or more personal identifiers such as Date of Birth, Last four digits of their Social Security Number (SSN), Voter Identification Number, Driver's License or State ID Number. While the current code section only asks for the last four digits of the SSN, it requires the full numbers for all other personal identifiers. The proposed language is asking for just the last four digits of any one of these identifiers as it is quite likely that we can still determine the correct voter based on their name, identifier, residence and mailing address as well as signature comparisons. This also protects their full personal identifiers from being revealed to other voters when they are signing a petition.
    - New language has been added to the initiative/referendum section (page 32) requiring all petition booklets to be surrendered to the Election Official within 60 days of issuance whether or not the petitioner committee has obtained the

requisite number of signatures. This language provides additional protection of voter's personal information.

- **Voting procedure changes:** Some of the new language is being proposed to provide for:
  - The use of electronic ballot marking devices (touch screen machines) that were obtained to provide ADA accessibility at the polls.
  - To codify some of the election procedures used to collect and secure ballots daily from vote centers and from secure ballot drop boxes that are open 24/7 from 15 days prior to election day until the close of polls at 8:00p.m. on election day.

- **Review of election returns timing:** In CBJ 29.07.380(b), (page 17) the work of the Canvass Review Board and certification takes place on the second Tuesday after election day. For 2022, that falls on the Alaska Day Holiday. The proposed code change provides for timing clarification on those years when a holiday would interfere with the **normal course of the review of election returns and certification process.**

- **New section on Observers:** Prior to conducting by mail elections, CBJ relied upon the State of Alaska Division of Elections Poll Watching guidelines/handbook for policies and procedures related to observers. While in partnership with the Municipality of Anchorage, we used their Observer handbook for anyone wishing to observe the process at the Anchorage Election Center. With the creation of the CBJ ballot processing center, we need to develop new protocols for observers to ensure equitable access for candidates and groups to observe the process while ensuring election security and public process within a limited space. The proposed code language is based on the policies and procedures from the Anchorage Observer code and handbook.

Should any members have any questions in advance of the COW meeting, I would be more than happy to discuss these changes and/or election policies and procedures in depth with you. Please give me a call at 907-586-5278 x4175.

**Next Steps:**
**In order for these code changes to be in place prior to the opening of the candidate filing period on July 15, I would recommend the COW forward Ordinance 2022-24COW to the Assembly for introduction at the May 16 Assembly meeting and set it for public hearing at the June 13 Assembly meeting.**

**Attachments:**
Ordinance 2022-24COW
April 22, 2022 Memo re: Timelines for October 4, 2022 Regular Municipal Election
Quick Reference Dates for October 4, 2022 CBJ Regular Election (Working Draft)

Presented by: The Manager
Presented:
Drafted by: R. Palmer III

# ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

## Serial No. 2022-24 vCOW

**An Ordinance Amending the Elections Code for the City and Borough of Juneau Municipal Elections.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment of Section.** CBJC 29.07.010 is amended to read:

**29.07.010 Election times; notice.**

(a) *Time of regular elections.* Annually, on the first Tuesday of October of each year, a regular election shall be held in the City and Borough of Juneau for the election of vacant City and Borough of Juneau offices, and for the determination of other matters as may regularly be placed on the ballot.

(b) *Time of special elections.* Except as provided in CBJ Charter Section 7.10(b), the assembly, by motion, resolution, or adoption of an ordinance, may call a special election at any time. Unless the assembly has set a date for a required special election, the election official shall call a special election when required by law, charter, or ordinance, to place an initiative, referendum, recall or other question before the voters.

(c) *Voting hours.* The polls in each voting precinct or vote center shall be open as provided in state law on all municipal election days for the purpose of voting.

(d) *Notice of election.* The City and Borough of Juneau Election Official shall cause to be published a notice of election during three consecutive calendar weeks, once in each week, in a newspaper of general circulation in the City and Borough of Juneau. The first such publication, and the posting, shall be accomplished at least 30 days before the election.

(e) *Contents of election notices.* Notices of election shall state:

(1) The date of the election;

(2) The time of opening and closing the polling places or vote centers;

(3) The location of precinct polling places or vote centers;

(4) The qualifications of voters;

(5) The type of election, regular or special;

(6) The offices to be filled, the propositions submitted to the electors, and the full text of any proposed charter amendment submitted to the electors.

**Section 3. Amendment of Section.** CBJC 29.07.020 is amended to read:

**29.07.020 Election officials.**

(a) The City and Borough of Juneau Municipal Clerk is the City and Borough of Juneau Election Official. Any properly authorized assistant to the City and Borough of Juneau Municipal Clerk or other person designated by the manager shall be an assistant City and

Borough of Juneau Election Official and may perform any functions set out in this chapter as a function of City and Borough of Juneau Election Official.

(b) Before each election, the election official shall appoint a minimum of two ~~three~~ election workers in each precinct or vote center to constitute the election board for that precinct or vote center. One member of the election board in each precinct or vote center shall be designated chair by the election official and shall be primarily responsible for administrating the election in that ~~precinct~~ location. The election official may assign additional election workers at any polling place or vote center as necessary to conduct an orderly election or to relieve the election board serving of undue hardship.

(c) If any election board member fails or refuses to attend and serve, the election official ~~remaining members~~ shall appoint a person eligible under this section to serve in the absentee's place.

(d) Each election worker must be a qualified voter of the City and Borough of Juneau. ~~and where in the judgment of the election official reasonably practicable, a resident of the precinct for which appointed~~.

(e) Before beginning their duties, all election workers shall take and subscribe the following oath:

> I ___________ do solemnly swear (or affirm) that I will support the constitutions of the United States and State of Alaska, and the laws of the City and Borough of Juneau, and the State of Alaska, and that I will faithfully, honestly and promptly perform the duties of the office of ___________.

**Section 4. Amendment of Section.** CBJC 29.07.030 is amended to read:

**29.07.030 Voting precincts.**

(a) Voting precincts in the City and Borough of Juneau shall be the same as for state elections.

(b) The polling places <u>or vote centers</u> shall be specified by the City and Borough of Juneau Election Official.

**Section 5. Amendment of Section.** CBJC 29.07.050 is amended to read:

**29.07.050 Candidates; nomination; write-in.**

(a) Nominations for elective officers shall be made only by petition accompanied by a signed acceptance. Each voter signing a petition shall state on the petition the voter's place of residence, by street and number, lot and block, or other sufficient means.

(b) Nominating petitions shall meet the following requirements:

(1) Petitions must include a certification providing:

We the undersigned qualified voters of the City and Borough of Juneau, in the State of Alaska, hereby nominate and sponsor ___________, whose residence is _______ for the office of _______, to be voted for at the election to be held on the _______ day of _______. We individually certify that we are qualified to vote for a candidate for the office this candidate seeks, and that we have not signed other nominating petitions for this (district) (office) exceeding in number the vacancies in this (district) (office) to be filled in this election.

(2) Qualified voters signing the petition shall provide their printed name, signature, residence address, one identifier - which can be either the last four digits of the voter's registration identification number, the last four digits of the voter's driver's license or state identification number, the last four digits of the social security number, or the year of birth - and the date of signing the petition.

(3) Nominating petitions shall have a minimum of 25 signatures of registered voters from within the City and Borough.

(4) The nominating petition shall contain a signed ~~statement~~ declaration of candidacy by the candidate of the candidate's qualification for the office, acceptance of nomination, and agreement to serve if elected.

(5) Upon receipt of the nominating petition, the election official shall indicate on the petition the date and hour of filing, the name and address of the person filing the petition, and place the signature of the person receiving the petition on the document.

(c) Nominating petitions must be completed and filed with the election official, accompanied by any required state financial disclosure forms, not earlier than 60 days, nor later than 4:30 p.m. on the 50th day, before the election. The election official shall record on the petition the name and address of the person by whom each nominating petition is filed. All petitions in proper form with sufficient signatures, and all deficient petitions which are not withdrawn by the persons filing them, shall be preserved by the election official and destroyed with the ballots cast in the election in which the candidate ran.

(d) Within four days after the filing of a nominating petition, the City and Borough of Juneau Election Official shall notify the candidate named in the petition and the person who filed the petition whether or not it is in proper form and signed by 25 qualified voters. If not, the City and Borough of Juneau Election Official immediately shall return it, with a statement certifying wherein the petition is deficient, to the person who filed it. A petition correcting the deficiencies for the same candidate may be filed within the time for filing petitions.

(e) Any candidate nominated may withdraw his or her nomination not later than 4:30 p.m. of the 46th day before the election.

(f) A write-in candidate shall, not later than 4:30 p.m. of the fifth day before the election, file with the election official a letter of intent or declaration of candidacy form stating:

(1) The full name of the candidate;

(2) The full residence address of the candidate and the date on which residency at that address began;

(3) The full mailing address of the candidate;

(4) The office that the candidate seeks;

(5) The date of the election at which the candidate seeks election;

(6) The length of residency in the City and Borough;

(7) The name of the candidate as the candidate wishes it to be written on the ballot by the voter;

(8) That the candidate will meet the specific age requirements of the office for which the person is a candidate by the time that the candidate, if elected, is sworn into office;

(9) That the candidate is a qualified voter as required by law; and

(10) That the candidate is not a candidate for any other office to be voted on at the election and that the candidate is not a candidate for this office under any other nominating petition or declaration of candidacy.

(11) The letter of intent or declaration of candidacy form submitted by a write-in candidate must be accompanied by any required state financial disclosure forms.

**Section 6. Amendment of Section.** CBJC 29.07.060 is amended to read:

**29.07.060 Ballots; form.**

(a) The names of all offices and candidates to be voted upon shall be printed on the ballot. The title of each office to be filled shall be followed by the printed names of the candidates for such office, below which shall be blank lines equal in number to the candidates to be elected to such office, upon which the voter may write the names of persons not listed on the ballot. The words "Vote for not more than _______" with the appropriate number replacing the blank shall be placed before the list of candidates for each office. The names of candidates shall be printed as they appear upon the petitions filed with the City and Borough of Juneau Election Official except that any honorary or assumed title or prefix shall be omitted.

(b) Ballot placement of candidates shall be determined according to the following procedures:

(1) The order for placement on the ballot will be established by random drawings of the letters of the alphabet by the election official. A drawing will be held for each race. The results of each drawing will be recorded and preserved by the election official.

(2) The names of candidates in each race will be placed on the ballot based on the alphabetical order drawn for that district.

(3) If two or more candidates have family names starting with the same letter, they will be placed relative to each other on the ballot according to the second letter of the family names, if the second letters are the same, then according to the third letter, and so on. If two or more candidates have the same family name they shall be placed relative to each other on the ballot according to their first given names, and if those start with the same letter, then as specified for family names, and if those are the same, according to subsequent given names.

(c) Following the names of the offices and candidates, there shall be placed on the ballot all propositions and questions to be voted upon. The words "Yes" and "No" or "For" and "Against," as appropriate, shall be placed below the statement of each proposition and question. The form of statement and title of the proposition or question shall be as determined by the election official except as may be otherwise required by the assembly or applicable law. When directed by the assembly, there shall be placed on the ballot as part of a proposition or question a brief, neutral, and succinct explanation of the proposition or question. Such explanations must be approved as to content by the assembly or the attorney.

(d) The ballot shall be printed on plain white paper through which printing and writing cannot be read. The ballots shall be numbered in series, a number being placed on one corner of each ballot within an area set off by perforations which may conveniently be removed from the remainder of the ballot.

(e) On the ballot, placed so as to be clearly visible, shall appear the words "Official Ballot" in large print and the date of the election.

(f) The layout and form of ballots may be modified by the election official to accommodate the voting system used for the election<u>, including but not limited to electronic ballots, provided a paper version of the ballot can be printed and used for tabulation and ballot accountability.</u>

**Section 7. Amendment of Section.** CBJC 29.07.080 is amended to read:

**29.07.080 Election materials; preparation and distribution.**

(a) The election official shall equip each precinct polling place<u>s or vote centers</u> with sufficient materials and supplies needed for the election, including those required by this section, before the opening of the polls.

(b) The election official shall publish instructions explaining to voters how ~~to obtain~~ ballots <u>are issued</u>, how to <u>correctly</u> mark <u>a ballot</u> ~~them~~, how to obtain information from election <u>workers</u> ~~judges and clerk~~, and how to obtain new ballots to replace those destroyed or spoiled. These instructions shall be printed on cards in large, clear type and prominently displayed. The election official shall have sample ballots, identical in form to the ballots to be used in the election, printed in a manner that is clearly distinguishable from the official ballot and may include as a part of a proposition or question a brief, neutral, and succinct explanation of the proposition or question, approved as to content by the assembly or attorney. The election official shall provide booths at each polling place <u>or vote center</u>, with appropriate supplies and conveniences to enable each voter to mark the voter's ballot screened from observation. Ballot boxes shall be placed outside the voting booths within plain view of the election workers, clerks, voters, and other persons at the polling places.

(c) Ballot drop boxes will be located in locations identified by the election official where voters may deposit fully voted by mail ballots up to the close of polls on election day. The opening of each ballot drop box shall be unlocked and open to accept ballots 24 hours a day beginning no later than 10 a.m. on the 15th day before election day and closed at time designated for the close of the polls on election day.

**Section 8. Amendment of Section.** CBJC 29.07.090 is amended to read:

**29.07.090 Absentee voting; eligible persons; permanent absentee voters.**

(a) At any election, a qualified voter may vote an absentee ballot for any reason.

(b) The election official may designate a person as a permanent absentee voter if the person is a qualified voter, and if the voter is registered with the State of Alaska Division of Elections as a permanent absentee voter within the City and Borough.

(c) A person designated as a permanent absentee voter under subsection (b) of this section will be sent an application for an absentee, by mail ballot, at the permanent mailing address stated on the voter's current registration record on the following schedule:

(1) In January each year;

(2) At least 45 days before a special election;

(3) At a time specified by the election official before any election, to voters defined in subsection (a) of this section who registered to vote after the last mailing of absentee by mail ballot applications.

(d) The voter may submit the application and vote by mail. However, nothing in this section limits the voter's eligibility to vote in person at a precinct~~,~~ polling place or vote center, in person before an ~~absentee voting~~ election official, or absentee through a personal representative.

**Section 9. Amendment of Section.** CBJC 29.07.120 is amended to read:

**29.07.120 Voting procedure.**

(a) Before ~~receiving~~ processing any ballots, the election board must, in the presence of any persons assembled at the polling place or vote center, open and exhibit the ballot box to be used at that location on that day. ~~the polling place.~~ Thereafter the box shall sealed with the security seal provided and not be opened again until the polls finally close at the end of each day the polling place or vote center is open. ~~and shall not be removed from the polling place, nor in the presence of persons assembled at the polling place, until all ballots have been processed~~ At the end of each day, ballot envelopes containing fully voted ballots will be counted and sealed with the security seals that will be recorded on the daily transmission log and prepared for transport to election central or the ballot processing center as required by written directive of the election official for transportation from the polling place.

(b) A voter shall give the election worker the voter's name, and place the voter's signature by the voter's name in the registration book unless the qualifications of the voter are questioned.

(c) Every election worker shall question, and every watcher and any other person qualified to vote in the precinct <u>or vote center</u>, may question a person attempting to vote if the questioner has good reason to suspect that the questioned person is not qualified to vote. All questions regarding a person's qualifications to vote shall be made in writing setting out the reason the person has been questioned. A questioned person, before voting, shall subscribe to a declaration in a form provided by the election official attesting to the fact that, in each particular, the person meets all the qualifications of a voter, that the person is not disqualified, that the person has not voted at the same election, and certifying that the person understands that a false statement on the declaration may subject the person to prosecution for a misdemeanor under this title, under state law, or both. The election official shall provide a registration book for questioned voters to sign. If the questioned person refuses to execute the declaration, the person may not vote.

(d) A voter who casts a questioned ballot shall vote the ballot in the same manner as prescribed for other voters. The voter shall insert the ballot into a secrecy sleeve and then put the secrecy sleeve into an envelope on which the statement the voter previously signed is located. The envelope shall be sealed and deposited in the ballot box. When the ballot box is opened, the envelopes shall be segregated, counted, compared to the voting list, and delivered to the official or body supervising the election. The merits of the question shall be determined by this official or body in accordance with election policies.

(e) If the voter is not questioned, the voter shall be given one ballot and shall retire to a voting booth. There the voter, without undue delay, shall mark the ballot. A voter may write in the name of a candidate or candidates of the voter's choice; provided, however, that a voter who writes in a candidate's name must also mark the ballot in the area provided for that purpose opposite the name of such candidate in order for the voter's indication to be counted as a vote for such candidate. Upon the voter's determination that the voter has satisfactorily marked the ballot, the voter shall place the ballot within the secrecy sleeve provided, and deposit the ballot in the ballot box.

(f) A voter who by accident or mistake mutilates or spoils the voter's ballot shall, upon returning the same to the election workers, be given another ballot, to a maximum of three ballots. The worker shall record the number of ballots spoiled. The voter or election worker shall immediately destroy the spoiled ballot without examining it.

(g) The voter may choose to use an electronic alternative ballot marking device as provided at a vote center or polling place in accordance with instructions provided by the election officials. Alternatively, a ~~A~~ voter who cannot read, mark the ballot, or sign the voter's name, may ~~shall~~ be assisted in doing so by an election worker, or not more than two willing persons of the voter's choice if the voter requests such assistance. If any person other than an election worker assists the voter in reading or marking the ballot, such person shall state upon oath before the election worker that such person will not reveal the vote cast by the assisted voter.

(h) Fifteen minutes before the closing of the polls, an election worker shall proclaim to any persons present the time remaining before the polls close. When the polls are closed, that fact shall be similarly proclaimed, and thereafter no ballots shall be received except those of qualified voters already present at the polls and waiting to vote when the polls are closed.

**Section 10. Amendment of Section.** CBJC 29.07.150 is amended to read:

**29.07.150 General procedures for ballot count.**

(a) The election official may issue, amend, and rescind election policies prescribing the manner in which the precinct <u>or vote center</u> ballot count is accomplished so as to ensure accuracy in the count and to expedite the process.

(b) The election board shall account for all ballots by completing a ballot statement containing:

(1) The number of official ballots received;

(2) The number of official ballots voted;

(3) The number of official ballots spoiled;

(4) The number of official ballots unused; and

(5) The board shall count the number of questioned ballots and shall compare that number to the number of questioned voters in the register. Discrepancies shall be noted and the numbers included in the ballot statement.

<u>(6) The election board shall separately record the number of ballots, including personal representative and other by mail ballots, that were received at that polling place or vote center but not issued by that polling place or vote center.</u>

(c) <u>Ballot envelopes and ballots may be reviewed and prepared for counting at the ballot processing center to determine eligibility for counting but will not be counted before 8:00 p.m. on the day of the election</u>. ~~Ballots may not be counted before 8:00 p.m. on the day of the election.~~

(d) Write-in votes shall not be counted unless the candidate has filed a letter of intent as required by subsection 29.07.050(f). If the total number of ballots containing write-in votes in the general election are at least the second highest in number in a race with two or more candidates, the write-in votes will be counted individually, which may done using an electronic adjudication process when available. In races where a candidate is unopposed, write-ins will be counted individually if they are within 100 votes or less. Write-in votes will be counted after the date of the election, but before the certification of the election in which the write-ins occurred. Write-in vote totals that do not fall within either of these two categories will not be individually counted.

**Section 11. Amendment of Section.** CBJC 29.07.160 is amended to read:

**29.07.160 Delivery of ballots and other election material.**

Upon completion of the counting of ballots at the ballot processing center, the election workers shall secure the counted ballots as directed by the election official in the election policies. ~~The chair shall then deliver the ballots to the~~ The election official~~, who~~ shall preserve them for 90 days unless the election is contested. Ballots and all numbered stubs, registers, tally sheets and other records of the election shall be similarly returned to the election official as directed in election policies.

**Section 12.** **Amendment of Section.** CBJC 29.07.210 is amended to read:

**29.07.210 Boards.**

The election official shall appoint workers to serve as an ~~a~~ ~~receiving~~ election board in accordance with 29.07.020, a voting system control board, an absentee and questioned ballot review board and a canvass review board. The election official shall appoint a chair of each board and administer the oath prescribed for election workers to chairs and the members of each of the boards.

**Section 13.** **Amendment of Section.** CBJC 29.07.240 is amended to read:

**29.07.240 Voting system; demonstration.**

Voters shall be informed at the polling place or vote center that they may request a demonstration of the proper way to mark a ballot with either a paper ballot or an electronic ballot marking device.

**Section 14.** **Amendment of Section.** CBJC 29.07.250 is amended to read:

**29.07.250 Processing ballots at the polling place.**

The election official shall establish election policies for processing and counting ballots at the polling place or vote center, the ballot processing center, or election central~~, or both,~~ so as to expedite the process and to guarantee the integrity of the election.

**Section 15. Amendment of Section.** CBJC 29.07.280 is amended to read:

**29.07.280 Review of election returns.**

(a) Beginning on the first Friday after each election, ~~absentee~~ ballots not previously counted and questioned ballots, which the ballot review board and election official determines should be counted, shall be counted. For by-mail elections, the election official will continue to process ballots until the review of the election returns by the canvass review board. The election official and such assistants as may be appointed by the election official shall count such ballots in accordance with the voting systems determined for use in an election.

(b) By the second Tuesday after each election, <u>unless the second Tuesday falls on a holiday, in which case by the second Wednesday after each election</u>, the election official shall conduct the review of all election returns with the canvass review board. The review may be postponed for cause from day to day, but there shall be no more than three such postponements. The canvass review board, in full view of those present, shall review any additional absentee or by-mail ballots that were postmarked by election day and received in the mail as well as any ballots challenged by the ballot review board and determine whether they will be rejected or counted. The canvass review board will then add those ballots eligible to be counted to the preliminary results the election returns and compile the total number of votes cast for each candidate and for and against each proposition and question to determine the final results to be certified by the election official. The election official will then certify the election in accordance to CBJ 29.07.290.

(c) Reserved.

**Section 16. Amendment of Section.** CBJC 29.07.340 is amended to read:

**29.07.340 Expenses.**

The City and Borough shall pay all necessary election expenses, including those of securing places for polls <u>or vote centers</u> and providing ballot boxes, ballots, voting booths, screens, voting equipment, computer services, national and state flags and other supplies, and any compensation due election workers. Compensation for the election workers shall be set by the election official.

**Section 17. Amendment of Section.** CBJC 29.07.350 is amended to read:

**29.07.350 Definitions.**

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

…

*Poll-based elections* means those elections conducted primarily using precinct polling places <u>or vote centers</u> for in-person voting on election day.

…

**Section 18. Amendment of Section.** CBJC 29.07.360 is amended to read:

**29.07.360 Elections by mail.**

(a) At the direction of the assembly by motion, the election official may conduct an election by mail.

(b) The notice of election shall state that the election is to be conducted by mail and that in-person voting will take place at vote centers but not ~~there will be no~~ at precinct polling places ~~place~~ open for regular in-person voting on election day. For each election conducted by mail, the notice of election published pursuant to CBJ 29.07.010(d) shall include:

(1) The date and type of the election, regular or special;

(2) An explanation that the election will be conducted by mail and that in person voting will take place at vote centers but not at precinct polling places open for regular in-person voting on election day; ~~no precinct polling place will be available for regular in-person voting on election day;~~

(3) Qualifications of voters;

(4) The offices to be filled, the propositions submitted to the electors, and the full text of any proposed charter amendment;

(5) The date by which ballots will be mailed to voters;

(6) Instructions to voters who will not be at their current mailing addresses when the ballots are to be mailed or who do not receive their ballot through the mail;

(7) A listing of vote center locations and hours; and

(8) An explanation of by-mail voting deadlines.~~;~~

(c) When the election official conducts an election by mail, the election official ~~he or she~~ shall mail a ballot to each person whose name appears on the voter registration list prepared under AS 15.07.125 for that election. The ballot shall be sent to the address stated on the official registration list unless the voter has notified the election official in writing of a different address to which the ballot should be sent. The election official is not required to mail a ballot to any voter who does not have a valid residence address, or is in the condition of purge notice (PN), undeliverable (UN), or list maintenance undeliverable (LU), as described in AS 15.07.130. Any qualified voter not mailed a ballot will not later be refused a ballot when requested, but may be required to vote a questioned ballot. The election official shall send ballots by first class, nonforwardable, mail, on or before the 21st day before the election.

(d) The election official shall enclose a privacy envelope and a return envelope to each ~~by-mail~~ voter eligible under section (c) above. The return envelope shall have printed upon it a certification by which the voter shall declare the voter's qualifications to vote, that the voter has not voted in any other manner in this election, and a space for the voter to include at least one personal identifier. The return envelope shall include a place for recording the date the envelope was sealed and shall conceal the voter's signature and personal identifier once the voter has signed and sealed the envelope. Specific instructions for voting a by-mail ballot and a list of the vote center(s) and hours shall be included with the ballot.

(e) In a by-mail election, regardless of whether or not a voter has received a ballot by mail, a voter may cast a ballot:

(1) By mail as provided in the instructions from the election official;

(2) In person at the election official's office or at a vote center; or

(3) Under the following absentee voting procedures: ~~set forth in CBJ 29.07.100.~~

(A) At any election, a qualified voter may vote a ballot from a temporary address for any reason.

(B) The election official may designate a person as a permanent absentee voter if the person is a qualified voter, and if the voter is registered with the State of Alaska Division of Elections as a permanent absentee voter within the City and Borough.

(C) A person designated as a permanent absentee voter under subsection (b) of this section will be sent a ballot by mail at the permanent mailing address stated on the voter's current registration record unless the voter submits an application for a ballot to be mailed to a temporary address or submits an application for an electronic transmission ballot.

(D) The voter may submit the application and vote from a temporary address. However, nothing in this section limits the voter's eligibility to vote in person at a polling place or vote center, in person before an election official, or absentee through a personal representative.

(E) The election official shall provide ballots for use as absentee ballots at least 15 days prior to the election. The election official shall issue rules and instructions to absentee voters to aid them in casting their ballots. The election official shall prescribe the form of and prepare the voter's certificate, envelopes, and other materials used in absentee voting. The election official shall enclose a privacy envelope and a return envelope to each absentee voter. The return envelope shall have printed upon it a certification by which the voter shall place the voter's signature declaring that the voter is a qualified voter, that the voter has not voted in any other manner in this election, and a space for the voter to include at least one personal identifier. The return envelope shall include a place for recording the date the envelope was sealed and be manufactured in such a way that the voter's signature and personal identifiers are concealed once the voter has signed and sealed the envelope.

(F) The application for an absentee ballot shall show the applicant's place of residence, clearly indicate the applicant's right to an absentee ballot, and be signed by the applicant.

(i) *Absentee application for voting from a temporary address.* Beginning on January 1 of each election year, a qualified voter may in person, by mail, by facsimile machine, or by electronic transmission, file a written application for an absentee ballot at a temporary address with the election official. A complete application for a ballot to be mailed to a temporary address must be received in the office of the election official not less than seven days before election day.

(ii) *Absentee application for voting by fax or electronic transmission.* A qualified voter who has submitted an application to receive an absentee ballot by fax or electronic transmission will be issued an electronic ballot package beginning the day the ballots are available from the election official and through the close of the polls on election day. The voter must submit a written and complete application for a fax or electronic transmission ballot to the election official's office no later than 5:00 p.m. the day before election day in order for the absentee ballot to be counted. An absentee ballot that is completed and returned by the voter by fax or electronic transmission must contain the following statement: "I understand that by using fax or electronic transmission to return my marked ballot, I am voluntarily waiving a portion of my right to a secret ballot to the extent necessary to process my ballot, but expect that my vote will be held as confidential as possible."

(iii) *Absentee voting by personal representative.* A qualified voter who is unable to go to the polling place or vote center on election day due to age, illness or disability, may appoint a personal representative to obtain a ballot for the voter on or after the 15th day before an election, up to and including election day.

(f) In a by-mail election, ballots must be received by the election official, placed in a ballot drop box, or received at a vote center all by ~~before~~ 8:00 p.m. on election day, or be postmarked by the post office on or before election day. Any ballots cast by a voter present in line awaiting the opportunity to vote at a vote center or to drop a ballot into one of the secure ballot drop boxes at 8:00 p.m. on election day will be considered as having been voted in a timely manner.

(g) The election official shall review and count ballots voted under this section under election policies established for the review and counting of by-mail and absentee-ballots.

**Section 19.** **Amendment of Section.** CBJC 29.07.370 is amended to read:

**29.07.370 Alteration of election procedures for elections by mail.**

Procedures for the conduct of by-mail elections shall be as provided for regular and/or special elections as appropriate, or in election policies issued pursuant to CBJ 29.07.350, except as follows:

(a) *Election officials.* In addition to the requirements of CBJ 29.07.020, the following provisions apply to by-mail elections:

(1) The election official may contract, without obtaining competitive bids, any portions of the election process with the State of Alaska Division of Elections or other governmental entity or agency to ensure the timely and secure conduct of a particular election called for by the assembly under this section.

(2) For the purposes of by-mail elections, each election worker must be a qualified voter of Alaska.

(b) *Candidates; nomination; write-in.* The following time requirements of CBJ 29.07.050 are modified when conducting a by-mail election:

(1) Nominating petitions must be completed and filed with the election official, accompanied by any required state financial disclosure forms, not earlier than 81 days, nor later than 4:30 p.m. of the 71st day, before the election.

(2) Any candidate nominated may withdraw his or her nomination not later than 4:30 p.m. of the 67th day before the election.

(3) A write-in candidate filing a letter of intent with the election official shall do so not earlier than 67 days, nor later than 4:30 p.m. of the seventh day, before the election.

(c) *Official candidate statement.* The following time requirements of CBJ 29.07.055 are modified when conducting a by-mail election:

(1) Online publication on the municipal website of candidate statements will take place at least 30 days prior to the election and will not include write-in candidates.

(2) A candidate providing an official candidate statement under CBJ 29.07.055(b) must provide all information to the election official no later than 46 days prior to the election.

(d) *Boards.* In addition to the requirements of CBJ 29.07.210, the election official shall appoint workers to serve as a ballot review board when conducting a by-mail election.

(e) *Ballot review procedure.* The ballot review board shall examine each ballot envelope and shall determine whether the voter is a qualified voter as required under CBJ Charter Section 6.3 and whether the ballot has been properly cast under election policies established for the review, tabulation, and counting of by-mail ballots. The ballot review board may begin reviewing and processing by-mail ballots prior to election day as part of the election review process to prepare them for counting. The counting or tabulation of ballots that would generate any election results will not begin until after 8:00 p.m. on election day. The following standards shall guide the election policies:

(1) A by-mail ballot shall not be counted if:

(A ~~i~~) The voter failed to properly execute the certification on the envelope with a valid signature and personal identifier or the voter's signature and personal identifier cannot be validated in accordance with the process set out in section (3) below; or

(B ~~ii~~) Reserved.

(C ~~iii~~) The ballot return envelope, if mailed, is received after election day, has no postmark, and USPS cannot verify the ballot return envelope was mailed on or before election day; or

(D ~~iv~~) The ballot return envelope is not received before the beginning of the canvass review board review process; or

(E ~~v~~) The voter has already voted in the election.

(2) A by-mail ballot shall be counted if:

(A ~~i~~) The voter properly executed the certification on the envelope with a valid signature and personal identifier as verified in accordance with the process set out in section (3) below; and

(B ~~ii~~) Reserved.

(C ~~iii~~) The ballot return envelope was received at a voter center or deposited in a ballot drop box no later than 8:00 p.m. on election day; or

(D ~~iv~~) The ballot return envelope, if mailed, was postmarked or the USPS can verify that the ballot return envelope was mailed on or before election day; and

(E ~~v~~) The ballot return envelope was received before the beginning of the canvass review board review process.

(3) Signature verification process:

(A ~~i~~) The voter's signature and personal identifier on the ballot certification must be compared with the signature(s) and personal identifiers in the voter's voter registration file(s) using the standards established in the election policies developed under CBJ 29.07.350.

(B ~~ii~~) The election official may designate, in writing, election workers to perform this function. All personnel assigned to the duty of signature verification shall subscribe to an oath administered by the election official regarding the discharge of their duties. Personnel shall be trained in the signature verification process prior to actually comparing any signatures.

(C ~~iii~~) Missing or invalid signature or personal identifier. If a voter's signature or personal identifier is missing or determined to be invalid, the election official shall, within three days of initial processing of the envelope, send a letter to the voter explaining the lack of a valid signature and/or personal identifier.

(i ~~A~~) The letter shall be sent to the address to which the ballot was mailed.

(ii ~~B~~) The voter may:

(a) ~~I~~. Fill out the form included with the letter and return the form to the address specified on the form; or

(b) ~~II~~. Come to the location identified in the letter and present valid identification to an election official and sign a form provided by the election official authenticating the envelope.

(iii ~~C~~) If the authentication is still determined to be invalid, the voter shall be notified in writing that their ballot is rejected.

(4) The ballot review board may begin reviewing and processing by-mail ballots prior to election day as part of the election review process to prepare them for counting. The ~~counting~~ tabulation of ballots will not begin until after 8:00 p.m. on election day.

(f) *Multiple and replacement ballots.* In accordance with CBJ 29.07.120(f) and the election policies developed under CBJ 29.07.350, if the voter is issued a replacement ballot, the first valid ballot received <u>and reviewed at the ballot processing center</u> is counted. Subsequently received ballots from the same voter are not counted. Subsequent ballot envelopes received from a voter who has already voted shall be marked "rejected," segregated from approved ballot envelopes, remain unopened, and forwarded to the canvass review board for final adjudication. The voter shall be notified by letter mailed to their mailing address and, if applicable, temporary mailing address.

**Section 20. Amendment of Chapter.** Chapter CBJC 29.07 Election Procedures is amended by adding a new section as follows:

<u>**29.07.380 Observers.**</u>

<u>(a) All observers must be registered with the election official, in accordance with election policies, in advance of showing up to observe at a polling place, vote center, and/or ballot processing center.</u>

<u>(b) An observer must be designated by a candidate on the ballot in the election, or by an organization or organized group that sponsors or opposes an initiative, referendum, or recall measure on the ballot in the election. A candidate may be an observer. A candidate or an organization may have no more than one observer at each vote center or polling location.</u>

<u>(c) A write-in candidate may register observers if, at the time of registering observers, the write-in candidate has met the requirements in 29.07.050(f).</u>

<u>(d) Due to limited space at the ballot processing center, one registered observer for each candidate or group will be allowed at the ballot processing center unless the number of registered observers exceeds capacity at the ballot processing center and the election official</u>

provides reasonable alternative means of observation. The election official may permit additional observers on a space available basis provided each candidate and group is allocated an opportunity for an equal share of the total number of observers permitted. Candidates and groups may share an observer.

(e) Observer registration. Each candidate or organization shall register by submitting the following forms to the election official and in accordance with election policies as follows:

(1) An observer registration form; and

(2) A signed confidentiality agreement; and

(3) A training and tour agreement; and

(4) A certificate of training.

Once the above forms are submitted, the election official shall provide credentials available for pick-up within 72 hours, in the form of an observer identification badge stating the observer's name, who they represent, and the date. The badge must be signed by the candidate, campaign manager, or the chairperson of the group before the observer may begin to observe at an election location.

**Section 21. Amendment of Section.** CBJC 29.10.030 is amended to read:

**29.10.030 Petition format.**

(a) The petition form prepared by the election official for issuance to the petitioners' committee shall be in substantial compliance with this section.

(b) The front of the cover page of the petition shall provide a space for the name of the person who is circulating the petition and shall contain a statement in bold type identifying the petition as a referendum or initiative petition as appropriate, the initiative or referendum request, a space for an impartial summary of the ordinance to be initiated or referred, a statement in bold type that a notice to petition signers is on the back of the cover sheet and that the ordinance to be initiated or referred is inside the first page of the petition, and a petition booklet number. On the back of the cover sheet, the election official shall cause to have printed a notice to the petition signers that signatures must be in ink, the residence address, mailing address, and printed name must be legible, that the signer must be a registered voter and have been a resident of the City and Borough for the immediately preceding 30 days, and the acceptable and unacceptable forms of residence address which appear in subsections 29.10.090(b) and (c).

(c) The second and such subsequent pages as are necessary shall contain a space for the full text of the ordinance to be initiated or referred.

(d) Following the full text of the ordinance shall be not less than five nor more than ten signature pages.~~ Each signature page shall be ruled in lines and shall contain eight columns which shall be titled as follows: Voter Registration No., Birthdate or Social Security No.,~~Qualified voters signing the petition shall provide their printed name, signature, residence address, and one personal identifier—which can be the last four digits of the voter's registration identification number, the last four digits of the voter's driver's license or state identification number, the last four digits of the voter's social security number, or the voter's year of birth, ~~Signature, Printed Name, Residence Address, ~~Mailing Address and Zip Code, Length of Residence in City and Borough, and Date Signed. The election official shall number each signature page serially in a sequence of numbers which shall be continuous through all booklets issued. Above the column titles shall be the petition request which shall make reference to the ordinance or measure to be initiated or referred and its location in the booklet. At the bottom of each signature page shall be a statement that to be valid, the signature must be in ink, the name as printed and signed must be in the same form as the name appears on the state voter registration rolls, the printed name, personal identifier, and residence address must be legible and the signer must indicate his or her length of address in the City and Borough immediately preceding signing the petition.

(e) The signature page shall contain the affidavit of the circulator as required by section 7.5 of the Charter.

(f) Each booklet shall be assembled by the election official and all pages within each booklet shall be stapled or otherwise fastened together.

**Section 22. Amendment of Section.** CBJC 29.10.040 is amended to read:

**29.10.040 Instructions to petitioners.**

The election official shall issue written instructions to the petitioners' committee setting forth the requirement that to be valid the signature line must contain the signature in ink, the legible printed name, the legible residence address of the municipal voter signing the petition, one personal identifier, and the length of residence in the City and Borough. The instructions shall also include the types of addresses which are and are not acceptable as residence addresses.

**Section 23. Amendment of Section.** CBJC 29.10.060 is amended to read:

**29.10.060 Submission and receipt of petitions.**

(a) The petitioners' committee shall file the petitions as a single instrument. After the filing, no additional petition booklets may be received by the election official for validation whether such additional booklets are submitted before or after the expiration of the petition period. Such late booklets shall be received only for the purpose of preservation for the record.

(b) Filing shall be done during municipal business hours. If the last day of the period falls on a Saturday which is not a City and Borough holiday, the election official shall make arrangements with the petitioners' committee to receive the petitions at the election official's office at or before 4:30 p.m. on that Saturday. If the last day of the period falls on a Sunday or other City and Borough holiday, the petitioners' committee may file the petition not later than 9:00 a.m. on the first weekday which is not a holiday.

(c) Immediately upon receipt of the petition, and in the presence of the person submitting the petition, the election official shall check each booklet and shall mark as rejected on its face, and the reason for rejection, any petition booklet which:

(1) Shows evidence of having been disassembled and reassembled;

(2) Does not contain all pages of the ordinance to be initiated or referred;

(3) Does not contain the fully completed, signed and notarized affidavit of the circulator

(d) All petition booklets shall be surrendered to the Election Official within 60 days of issuance of the petition booklets to the petitioners’ committee regardless if a sufficient number of signatures are collected or not by the petitioner committee.

**Section 24. Amendment of Section.** CBJC 29.10.080 is amended to read:

**29.10.080 Validation of signatures.**

(a) The election official shall reject the signature of any person whose name does not appear on the voter registration list available from the state elections office and who is determined by the state elections office to be a person who is not registered on the day the election official requests state verification of the voter status of the person.

(b) The election official shall reject the signature of any person whose signed and printed name are so illegible that the election official cannot identify the name; provided, however, the election official may accept an otherwise illegible name if the voter has provided ~~a voter registration number~~ adequate personal identifying information and the legible address information given by the person corresponds to voter registration information of the person registered to the ~~voter registration number~~ personally identifying information given.

(c) The election official shall reject all but one signature of any person who has signed his or her name two or more times to petition booklets.

(d) The election official shall reject the signature of any person whose signature is not executed in ink.

(e) The election official shall reject the signature of any person who had not been a resident of Juneau for the 30 days immediately preceding the date the person signed the petition.

(f) The election official shall reject the signature of any person who fails to provide a legible and adequate residence address as provided in section 29.10.090.

(g) The election official shall reject the signature of any person whose petition signature and printed name are not the form in which the person is registered to vote unless the election official is able to determine from the voter's personal identifying information ~~registration number~~ or the address information from the state elections office that the signature is that of a registered voter.

**Section 25. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of ________________________, 2022.

______________________________
Beth A. Weldon, Mayor

Attest:

______________________________
Elizabeth J. McEwen, Municipal Clerk

# OFFICE OF THE MUNICIPAL CLERK/ ELECTION OFFICIAL

155 S. Seward St., Room 202
Phone: (907)586-5278 Fax: (907)586-4552
email: city.clerk@juneau.org


***Date:*** April 22, 2022

***To:*** Mayor & Assembly via Assembly Human Resources Committee

***From:*** Beth McEwen, Municipal Clerk/Election Official

***Subject:*** Timelines for October 4, 2022 Regular Municipal Election

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The next CBJ Regular Municipal Election is Tuesday, October 4, 2022.[1] Following the direction to build and furnish the Thane Ballot Processing Center for the conduct of CBJ elections mainly using the by mail ballot processing method, the timelines for conducting the October 4, 2022 election are set forth below. All dates referenced below are for the 2022 calendar year unless otherwise noted.

Currently the Thane project is running on time and within budget to create a Juneau-based ballot processing center. The project timeline anticipates project completion by the end of July. Once it is complete, we intend to schedule opportunities for in person and/or virtual tours of the facility by Assemblymembers, staff, and the public to demonstrate the ballot processing methods and timelines.

In December 2021, the State of Alaska Division of Elections notified municipalities that they will no longer be loaning election equipment to local municipalities for the conduct of local elections. As such, CBJ elections for the foreseeable future will not have the same opportunities for precinct-based voting that we had prior to 2020. Rather, we will focus on providing in person voting opportunities for a two week period, up to and including Election Day, at Vote Centers. These would be in addition to voters having the convenience of a by mail ballot with options to return their ballots either in person at a Vote Center, via secure ballot drop box which will be open 24/7 for a two week window closing at 8:00p.m. on Election Day, or placing a stamp on the envelope and returning it via first class mail.

Lessons learned during the 2021 regular municipal election highlight the fact that the Mendenhall USPS and other post offices generally do not postmark ballot envelopes that are returned using First Class Business Reply Mail. As such it is my recommendation that we revert back to a return ballot envelope that requires the voter to affix their first class postage, as we did in 2020. Voters will still have the option to place their return ballot in one of the secure ballot boxes, or bring it in person to a Vote Center, but if they do chose to mail it back, they will need to provide their own postage and would be encouraged to have the post office hand cancel the envelope with a legible postmark.

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1 CBJ Charter Section 6.1 Regular Elections "A regular election shall be held annually on the first Tuesday in October, or such other date as the assembly may provide by ordinance."

## CHARTER AMENDMENTS

The Assembly may propose a Charter amendment by ordinance.[2] In order for a proposed amendment to be submitted to the voters at the regular election, an ordinance to amend the charter would need to be adopted no earlier than Monday, June 6, and no later than Friday, August 5.[3] These deadlines are set to avoid the need to hold a special election. The first regular meeting for the Assembly to introduce a charter amendment is May 16, the last regular scheduled meeting for the Assembly to adopt a charter amendment is August 1, unless special meetings are scheduled for such purposes.

## GENERAL BALLOT PROPOSITIONS

Notice of the regular election must be published no later than Sunday, September 4.[4] The notice must state the purposes of the election. All ballot propositions must be finalized prior to the date the notice of election is published.

Ordinances or resolutions proposing a ballot proposition, other than a Charter amendment, must be adopted by August 8, in order to allow time for publishing the notice of election and for ballot preparation, printing and mailing to Juneau. We recommend introducing any ballot measure no later than the June 13 Regular Assembly meeting, with public hearing and Assembly action on July 11. If necessary, the Assembly could delay action until the next regular meeting of August 1. The Assembly can hold a special meeting to introduce or adopt a ballot ordinance, as long as a public hearing on the ordinance is held. The notice of public hearing on an ordinance must be published in a newspaper of general circulation at a minimum of seven days prior to the public hearing.[5]

## PETITIONS

A petition may propose to amend the CBJ Charter or the CBJ Municipal Code. There is an outlined procedure for conducting an initiative (to propose something new) or a referendum (to repeal something in existence). To start a petition, petitioners form a committee of five qualified municipal voters and submit an affidavit stating the purpose of the petition to the Clerk's office.[6] A petitioner's committee is encouraged to submit a copy of the affidavit and the proposed ordinance, resolution or other measure to be initiated to the City and Borough Attorney with a request that it be reviewed by the Attorney.[7]

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2 CBJ Charter Section 14.2 Proposal by the Assembly "The assembly may propose Charter amendments by ordinance containing the full text of the proposed amendment and adopted by at least six votes of the assembly."
3 CBJ Charter Section 14.5 Election "The election shall be held not less than sixty days and not more than one hundred and twenty days after the amendment has been proposed. If no regular election is to be held within that period, the assembly shall provide for a special election on the proposed amendment."
4 CBJ Charter Section 6.1 Regular Elections "At least thirty days published notice shall be given of a regular election."
5 CBJ Charter Section 5.3 Ordinance Procedure (a) "…The public hearing on an ordinance shall follow publication by at least seven days…"
6 CBJ Charter Section 7.2 Commencement of Proceedings. (a) "Any five qualified municipal voters may commence initiative or referendum…"
7 CBJ Code Section 29.10.020 Attorney assistance on initiative petitions.

After receipt of a petition affidavit, the Clerk has 15 work days to review and deny or approve the petition affidavit and, if approved, issue petition books. The petition committee then has 30 days in which to obtain the signatures of qualified voters equal to 25% of the votes cast in the preceding regular municipal election. Based on the 8,517 total ballots counted during the 2021 election, twenty-five percent of that would require 2,129 signatures of qualified voters to certify a petition in the City and Borough of Juneau.[8]

The CBJ Charter and Code anticipates a timeframe, which can extend up to 55 - 75 days from the time the affidavit is submitted in the Clerk's office to the time it is certified by the Clerk. [9]/[10] This includes 15 days for the Clerk to review and issue signature booklets to a petitioner's committee, 30 days for the collection of signatures, 10 days for the Clerk to certify signatures, and up to 20 additional days for petitioners to gather, and the Clerk to review, additional signatures if a timely submitted petition is found deficient.

The time frames for a certified petition proposition to be placed on the ballot vary depending on the type of petition proposed.[11] Petitioners were encouraged to contact the Clerk's office no later than April 12 to begin working on the petition process.

*Charter Amendments*

If the petition proposes a Charter amendment, the Assembly ***does not*** participate in the process. Once certified, the proposition is placed on the ballot. [12] In order to meet publication deadlines for the Notice of Election and to avoid a special election the following dates are set for 2022:[13]

> *Charter Amendments:*
> June 6 - Earliest day Clerk can certify a voter initiated charter amendment petition. (Petitioner affidavit to be submitted no earlier than April 13.)
>
> August 5 - Last day Clerk can certify a voter initiated charter amendment petition. (Petitioner affidavit to be submitted by May 17 at the latest.)

If a charter amendment petition is submitted outside of the timeframe to fall on a regularly scheduled election, a special election may be required to be held to determine the outcome.

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8 CBJ Charter Section 7.3

9 CBJ Code Section 29.10.025 Certification of Petitioners' Committee Affidavit

10 CBJ Charter Section 7.3 Petition "A petition…shall be filed in proper form with the clerk within thirty days after the date of issuance of petition pages" and 7.6 Examination for Sufficiency "Within ten days following the date on which the petition is filed in proper form, the clerk shall certify if it bears the required number of signatures"

11 CBJ Charter Section 14.5 Election (a) "Proposed (charter) amendments shall be submitted to the qualified voters of the municipality" and CBJ Charter Section 7.10 Action on Petitions (a) "When an initiative or referendum petition has been determined sufficient, the clerk immediately shall submit it to the assembly".

12 CBJ Charter 14.5 (a) Election.

13 CBJ Charter Section 14.5 (b) Election (b) "The election shall be held not less than sixty days and not more than one hundred and twenty days after the amendment has been proposed."

*Code Ordinances*

If the petition proposes adoption by initiative or repeal by referendum of an ordinance, the Assembly *does* participate in the process. Upon certification of an initiative or referendum petition, the Clerk submits it to the Assembly for review and possible action. In order to allow the greatest amount of time possible for the petition process, this timeline proposes an August 1 date by which the Assembly would take action to adopt a substantially similar ordinance or repeal the referred measure.

If the Assembly fails to adopt a proposed initiative measure without any change in substance within forty-five days or fails to repeal the referred measure within thirty days after the date the petition was determined sufficient, the proposed initiative or referred measure is submitted to the voters on the ballot. Since the last *regular* Assembly meeting to act on an ordinance to be placed on the October 4 ballot is August 1, any referendum petition should be certified by the Clerk and submitted to the Assembly by July 5 to allow time for drafting and public notice of a proposed ordinance. The deadline by which the Clerk should certify and submit an initiative petition for adoption no later than the August 1 Assembly meeting would be June 17.

If a petition is submitted to the Assembly outside of the timeframe which would allow the measure to be placed on the regularly scheduled election, the Assembly determines whether it is in the best interest of the municipality to conduct a special election on the matter before the next scheduled election.[14]

A petitioners' committee for either a Code or Charter amendment is encouraged to discuss the matter with the Municipal Clerk and Municipal Attorney prior to action and is encouraged to start activities at the earliest date possible.

## CANDIDATE FILING PERIOD

Provided we are conducting the October 4, 2022 as a by-mail election in accordance with CBJ Code 29.07.370, nominating petitions for the municipal election must be submitted no earlier than 8:00 a.m., Friday, July 15, and no later than 4:30 p.m., Monday, July 25.[15] These petitions are available in the Clerk's office and require the signatures of 25 registered CBJ voters. In addition, to be considered a certified candidate, a printed/signed copy of the electronically submitted Alaska Public Offices Commission Public Official Financial Disclosure (APOC POFD) Statement must be submitted to the Clerk's office no later than the July 25, 4:30 p.m. deadline.[16]

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14 CBJ Charter 7.10 Action on Petitions (b) The election on a proposed initiative or referred measure shall be held at the next regular election, or, if already scheduled, a special election occurring not sooner than 90 days from the last day on which the assembly action may be completed on the proposed initiative or referred measure. If no regular election is scheduled to occur within 75 days after the certification of a petition and the Assembly determines it is in the best interest of the municipality, the Assembly may, by ordinance, order a special election to be held on the matter before the next scheduled election. The notice of election shall contain at least a summary of the proposed initiative or referred measure.

15 CBJ Code Section 29.07.370 (b) Candidates – Nomination

16 AS 39.50.020 (a)… Candidates for elective municipal office shall file the statement at the time of filing a nominating petition, declaration of candidacy, or other required filing for the elective municipal office. Refusal or

A candidate may withdraw his or her name from the printed ballot no later than 4:30 p.m. on Friday, July 29.[17]

Candidates may submit an official candidate statement for publication on the CBJ website as early as the filing of their nominating petition but no later than August 19.[18]

Attached is our ***Quick Reference Dates-Working Draft*** document which outlines all the above timelines. Due to a number of factors related to the initiative and election process, some of these dates are dynamic and may change based on approval, denial, or subsequent actions required during the petition process.

**Next Steps:**
CBJ Code 29.07.370(a) currently states **"At the direction of the assembly by motion, the election official may conduct an election by mail."** While the Assembly has expressed its intent for the October 4, 2022 election to be conducted by mail, a formal motion has not yet been made and adopted. **I would ask that the Assembly make and pass a motion at the next regular meeting to conduct the October 4, 2022 as a by mail election in accordance with CBJ Code 29.07.370.**

We have prepared draft election code changes for consideration by the Assembly. An overview of these changes will be discussed by Mr. Palmer and myself at the April 25, 2022 Assembly Human Resources Committee meeting. We then anticipate having an ordinance ready for introduction at the May 16 Regular Assembly meeting with public hearing and Assembly action scheduled for the June 13 Regular Assembly meeting. Since ordinance changes take effect 30 days after adoption, this would allow for the election code changes to be in effect by the opening of the candidate filing period on July 15.

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failure to file within the time prescribed shall require that the candidate's filing fees, if any, and filing for office be refused or that a previously accepted filing fee be returned and the candidate's name removed from the filing records….(b)… Municipal officers, former municipal officers, and candidates for elective municipal office, shall file with the municipal clerk or other municipal official designated to receive their filing for office. All statements required to be filed under this chapter are public records.

17 CBJ Code 29.07.370 (b) Any candidate nominated may withdraw his or her nomination not later than 4:30 p.m. of the 67th day before the election.

18 CBJ Code 29.07.370(c), Official Candidate Statement. Please contact the Election Official for the necessary forms/procedures for filing of these official candidate statements.

# Quick Reference Dates for October 4, 2022 CBJ Regular Election

***WORKING DRAFT***

All dates are 2022 unless otherwise noted. Dates based on by-mail election processing with some references incorporating possible code changes.

April 12-14 Window of time for Petitioner's Committee to file an affidavit to the Clerk for an initiative or referendum petition – Clerk has *15 business days* in which to deny or certify affidavit and issue petition booklets.

April 13 – May 17 Window of time to begin Charter Petition filing process without requiring a special election

*April 25* *6pm: Assembly Human Resources Committee Meeting – discussion on all things election 2022. Proposed code changes, redistricting,*
*7pm: Regular Assembly Meeting – Need motion to conduct a Vote By Mail Election for 10/4/22*
*Also introduce any ordinances pertaining to Election Code Changes & Assembly redistricting*

May 16 Public Hearing & Assembly action on Election Code ordinances unless referred to another committee and set for Public Hearing on June 13.

June 2 If Initiative Petition is submitted by 4/12, petition booklets are issued by 5/3, petition is to be filed with the Clerk by 6/2 – Clerk has 10 days to certify signatures and submit it to the Assembly or issue notice of insufficiency (and issue subsequent booklets)

June 4 If Referendum Petition is submitted by 4/14, petition booklets are issued by 5/5, petition is filed with the Clerk by 6/4 but since that is Saturday, arrangements will need to made to submit it prior to 4:30p.m.

June 6 First day for the clerk to certify a petition for a Charter amendment proposition.
First day for the Assembly to introduce a Charter Amendment ordinance (would require a Special Meeting).

June 13 If Initiative Petition, filed by 6/2, has the sufficient number of signatures, Clerk certifies it and sends it to the Assembly which has 45 days on which to adopt a substantially similar ordinance or the proposed petition language is placed on the October 4, 2022 ballot.

June 13 Final regular Assembly meeting to hold Public Hearing & Assembly action on Election Code ordinances so ordinances will be effective prior to the July 15 candidate filing period.

June 14 If Referendum Petition, filed by 6/4, has the sufficient number of signatures, Clerk certifies it and sends it to the Assembly which has 30 days in which to repeal the ordinance or the proposed petition language is placed on the October 4, 2022 ballot.

July 5 If initial petition booklets were insufficient, this is the final day for Clerk to certify an initiative petition or referendum petition and submit it to the Assembly.

July 11 First Regular Assembly Meeting to introduce a Charter Amendment Ordinance

July 14 Last day for Assembly to repeal an ordinance subject to a referendum petition if the petition was certified by the Clerk on 6/14.

July 15 Filing for Municipal and School Board Candidacy opens - 8:00 a.m. Declaration of Candidacy and copies of electronically filed APOC POFD forms must accompany Nominating Petitions

July 25 Filing for Municipal and School Board Candidacy closes - 4:30 p.m.

July 28 Final day for Assembly action on an Initiative Petition, filed by 6/2, certified by the Clerk & sent to the Assembly to adopt a substantially similar ordinance or the proposed petition language is placed on the October 4, 2022 ballot.

July 29 Last day for candidates to withdraw their name from the printed ballot – 4:30 p.m.

# Quick Reference Dates for October 4, 2022 CBJ Regular Election

***WORKING DRAFT***

All dates are 2022 unless otherwise noted. Dates based on by-mail election processing with some references incorporating possible code changes.

| | |
|---|---|
| Aug. 1 | Last *Regular Assembly Meeting* to Adopt all Ballot ordinances (including any Charter amendments or to make a motion placing an advisory question on the ballot.) |
| Aug. 4 | Final day for Assembly to take action before a referendum or initiative petition appears on the ballot. |
| Aug. 5 | Last day for Assembly to adopt or the Clerk to certify a petition for a Charter amendment proposition (This date would require a special Assembly meeting.) |
| Aug. 10 | Final ballot sent to programmer/printer |
| Aug. 15 | Final approval for ballot to be printed/programmed |
| Aug. 19 | Candidate Profiles due to Clerk |
| Sept. 4 | Last day for residents to register to vote in this election; Notice of Election Posted / Published |
| Sept. 13 | Ballots mailed out from printer/contractor (in WA) to all qualified registered voters |
| Sept. 15-Oct. 5 | Assembly Chambers in use 24/7 for Election purposes. [Vote Centers Open 9/19-10/4] |
| Sept. 19-Oct. 4 | Vote Center(s) [taking the place of Early/Absentee Voting stations] open for 16 days prior to and including Election Day |
| Sept. 27 | Last day to receive applications for ballot to be mailed to a temporary absentee address *(possible code change).* |
| Sept. 27 | Last day to file "write-in" candidacy letter of intent *(possible code change).* |
| Oct. 3 | Last day to submit application for a fax ballot (by electronic transmission) - 5 p.m. |
| Oct. 4 | Election Day: Vote Centers open 7 a.m. - 8 p.m. *[Preliminary Unofficial Results posted by Friday, Oct. 7, if not before.]* |
| Oct. 5-14 | Ballot review and processing takes place at Thane Ballot Processing Center. Unofficial Results will be posted online periodically during this time. |
| Oct. 17 | Final Ballot tabulation of “Unofficial Results” prior to the ballots being reviewed by the Canvass Review Board and certification of the election. Canvass Review Board begins its review of returns. |
| **Oct. 19(up to 21)** | **[Alaska Day Holiday 10/18] Canvass Board Election meets to review election returns and prepare for certification of the Election by the Election Official. *Certification may be delayed on a day to day basis up to three days if necessary.*** Last Day to Contest Election (must be filed before completion or during review of election returns) |
| Oct. 21 | *(Within 2 days after certification) Any request for a Recount of election returns (CBJ Code 29.07.300) must be filed with the Clerk.*<br><br>*(Within 5 days of recount application being deemed sufficient) the Clerk conducts a recount of election returns to be completed within 2 days.* |
| *Oct. 28* | *(Within 10 days after certification)* Last Day to file for Judicial Review of Election in Superior Court |
| **Oct. 24** | **First Assembly Meeting with newly elected Assemblymembers, Election of Deputy Mayor** |

Presented by: The Manager
Presented: 02/07/2022
Drafted by: R. Palmer III

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2022-11(b)**

**An Ordinance Amending the Street Vending Requirements of Title 62 Regarding Parking.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment of Section.** CBJC 62.10.050 Street vending; permit required, is amended at subsection (e), to read:

**62.10.050 Street vending; permit required.**

…

(e) Vending carts and vending vehicles may not be located in any on-street vehicle parking space in the Vendor Area 2 ~~PD 2 zoning parking~~ district. Carts and vehicles with a valid permit may park in a single space within the Vendor Area 1 ~~PD 1 zoning parking~~ district or outside the Vendor Area 2 ~~PD 2 zoning parking~~ district. The manager may place additional parking and location restrictions on a permit if the manager determines that the size, location, and operation of the cart or vehicle will create a safety hazard. Overnight parking is prohibited.

…

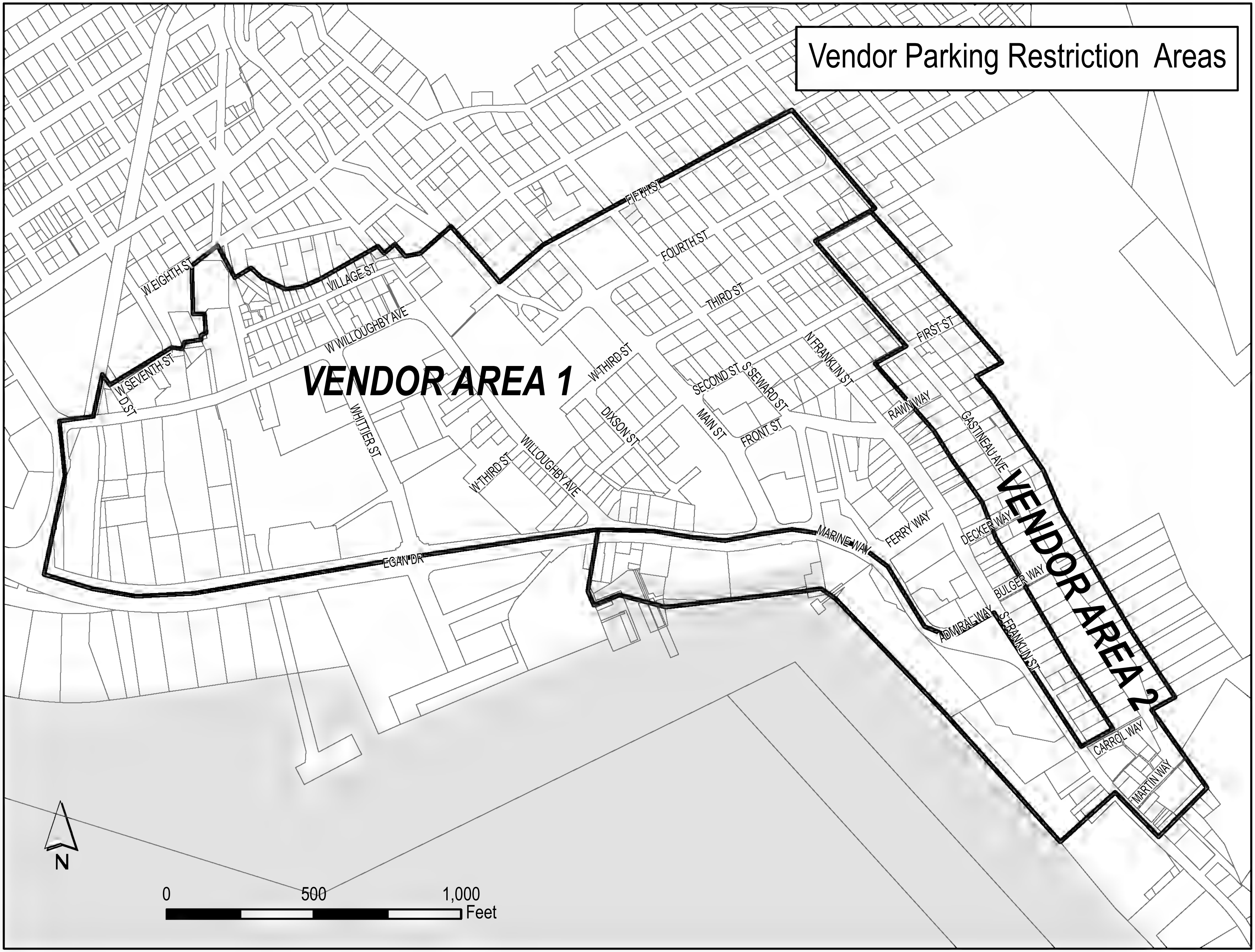
**Section 3. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this ________ day of _______________________, 2022.

_____________________________
Beth A. Weldon, Mayor

Attest:

_____________________________
Elizabeth J. McEwen, Municipal Clerk

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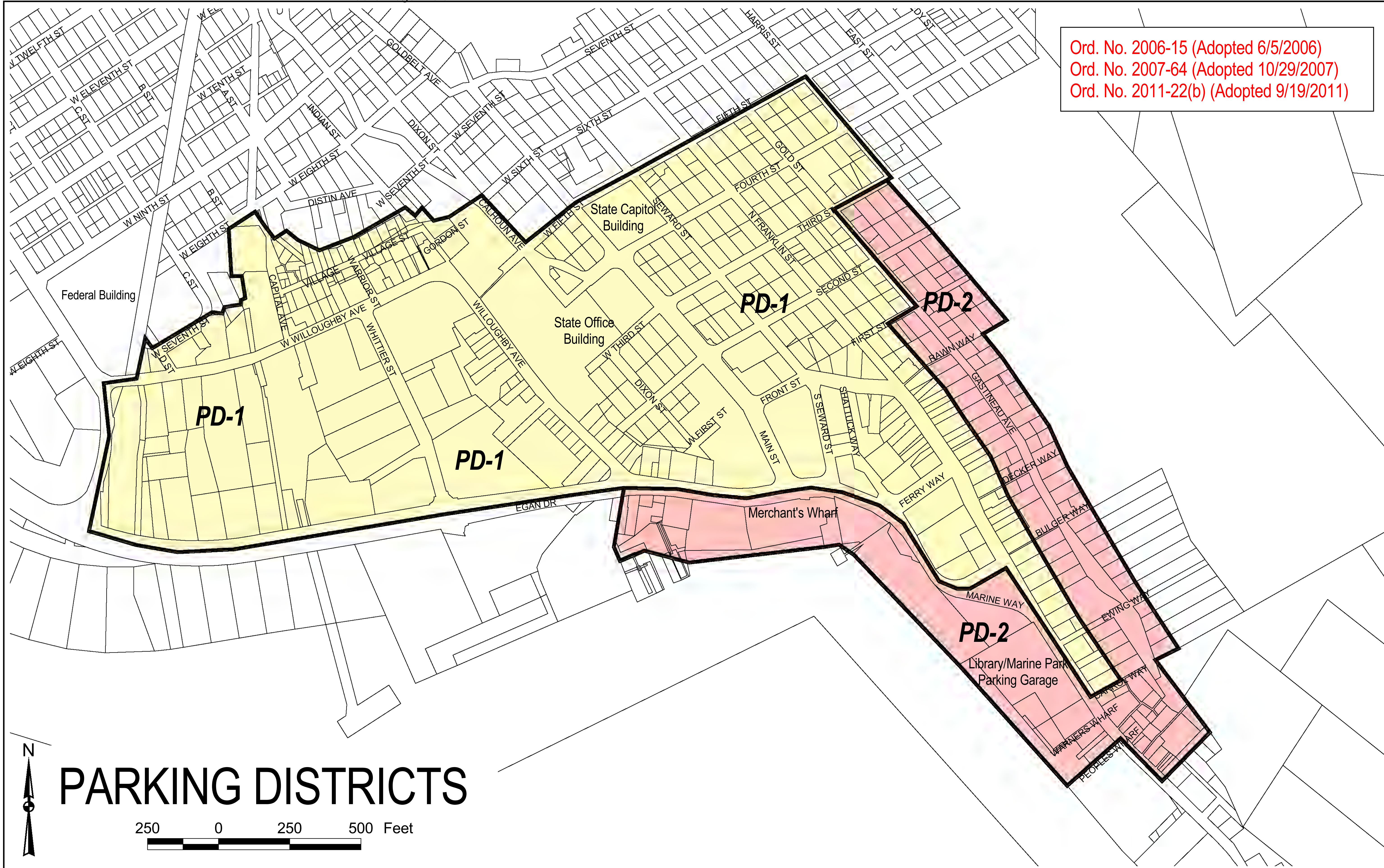
Map date: 4/12/2022

Ord. No. 2006-15 (Adopted 6/5/2006)
Ord. No. 2007-64 (Adopted 10/29/2007)
Ord. No. 2011-22(b) (Adopted 9/19/2011)




# PARKING DISTRICTS

250 0 250 500 Feet

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# ARMORED RESCUE VEHICLE
## COW 05/02/22

CCFR Assistant Chief Travis Mead

JPD Deputy Chief David Campbell

JPD Lieutenant Krag Campbell

# WHAT IS IT?

- The Lenco BearCat G3 is a purpose-built armored vehicle designed to transport EMS, Fire, and Police personnel during high risk situations.
- Created in 1999, the BearCat is a modified Ford F550 truck.
- The BearCat does not have any offensive weapons and is used to safely transport first responders and citizens.

# WHAT DOES ONE LOOK LIKE?

# WHAT DOES IT DO?

- The armored rescue vehicle can transport up to 12 people safely in situations where other vehicles would not be safe.
- The armored rescue vehicle can safely deploy police and fire personnel into an area with active gunfire, bombs, or IEDs.
- The armored rescue vehicle can safely be used to evacuate people from dangerous areas with active gunfire, bombs, or IEDs.
- Given the 4x4 truck capacities, the armored rescue vehicle can evacuate people from locations that would be too dangerous for fire trucks or ambulances.
- The armored rescue vehicle can operate in high wind situations that would not be safe for fire trucks and ambulances.

# WHY DOES THE CBJ NEED IT?

- The CBJ has experienced natural disaster situations where the armored rescue vehicle could have been used to safely evacuate people from areas where fire trucks and ambulances could not safely operate.
- The CBJ has experienced situations where people needed to be evacuated from areas with active gunfire.
- The CBJ has experienced situations where first responders needed to be safely added to areas with active gunfire.
- The armored rescue vehicle can safely transport first responders into and out of dangerous areas, and it can evacuate civilians from those same areas.

# HOW WILL IT BE USED?

- The armored rescue vehicle would only be used by CCFR when people need to be rescued and where it would be inappropriate to use a fire truck or ambulance.

- The armored rescue vehicle would only be used by JPD during active situations involving gunfire, bombs, IED's, or during SWAT operations that pose a substantial risk to the community.

# QUESTIONS?