City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, January 6, 2021

I. Call to Order

The meeting was called to order at 6:00 PM by Carole Triem, Chair.

II. Roll Call

Committee Members Participating Virtually: Mayor Beth Weldon; Carole Triem, Chair; Loren Jones; Alicia Hughes-Skandijs; Wade Bryson; Michelle Bonnet Hale; Maria Gladziszewski; Greg Smith; Christine Woll

Committee Members Absent: None

Staff Present Virtually: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney; Katie Koester, Public Works and Engineering Director

Others Present Virtually: Bruce Botelho, the New JACC Partnership Co-Chair; Erin Walker-Tolles, Catholic Community Services Executive Director

III. APPROVAL OF MINUTES

a. The December 9, 2020 minutes were approved as presented.

IV. ITEMS FOR ACTION

a. **Centennial Hall Expansion**

Mr. Watt presented materials to the Committee relating to the expansion concept of Centennial Hall into a joint facility with the Juneau Arts and Culture Center (JACC). Mr. Watt recommended a $75,000 appropriation from the General Fund's fund balance for consulting services to explore this concept.

<u>Motion</u>: by Mayor Weldon to forward an appropriating ordinance of $75,000 of fund balance to the Assembly for introduction and public hearing.

Mayor Weldon spoke to her motion, recognizing that voters voted down the idea of a new JACC building, but that this concept is different, as it is an expansion of Centennial Hall, including the addition of an upstairs level that the Assembly was considering before to increase convention spaces.

<u>Objection</u>: by Ms. Hughes-Skandijs, who expressed concerns about the financial position of the City and the optics of approving this appropriation when voters have recently voted down a similar concept and Juneau is still suffering from the ongoing pandemic. Mr. Jones also objected to the motion, expressing his concerns about the cost of this project to CBJ.

Chair Triem inquired about other funding sources available to help fund the expansion concept, specifically relating to the funds The New JACC Partnership raised for their original project plan.

Mr. Botelho stated that The New JACC Partnership raised between $15-20 million for the project. Mr. Botelho stated that he sees a range of alternatives for funding, such as other private sources, federal infrastructure funding, or the CBJ's availability of general obligation bond debt capacity. Mr. Botelho stated that he believes this facility will be particularly attractive to the cruise industry, and questioned the possibility of using marine passenger fee proceeds to fund a revenue bond, which would reduce the burden on CBJ's property tax payers.

<u>Roll Call Vote:</u>
Ayes: Bryson, Woll, Gladziszewski, Hale, Smith, Weldon
Nays: Hughes-Skandijs, Jones, Triem

Motion passed. Six (6) Ayes, Three (3) Nays.

b. **Centennial Hall Renovation**

Mr. Watt introduced a memorandum to the Committee relating to the renovation of Centennial Hall on packet page 18. At the Assembly meeting on December 14, 2020, the body rejected Transfer T-1031 due to the nature of the funding sources. In the memo, Mr. Watt laid out three options for the Assembly to consider on how to move forward with this project: wait for the 1% sales tax approved by voters in FY18 to become available, draw from the General Fund, or transfer funds from other CIPs.

Mr. Bryson questioned whether funding the renovation to Centennial Hall would interfere with the expansion concept previously discussed.

Ms. Koester responded, stating that there are mechanical upgrades that would be completed without having impact on future expansion projects.

Ms. Hughes-Skandijs stated that approval of the renovation funds ties directly into a bond package that the voters approved, both on the grounds of keeping people working for the Juneau economy and the potential projects that were listed on the bond ballot.

Motion: by Mayor Weldon to forward a transfer as proposed in the memo to the Assembly.

Roll Call Vote:

Ayes: Bryson, Woll, Hughes-Skandijs, Jones, Triem, Weldon
Nays: Gladziszewski, Hale, Smith

Motion passed. Six (6) Ayes, Three (3) Nays

c. **Youth Sheltering at Hurlock Property**

Mr. Watt introduced a memorandum on packet page 20 detailing the remaining funding necessary to operate the Homelessness Youth Shelter at the Hurlock Street property. With the funding secured by Zach Gordon Youth Center (ZGYC), and funding that is pending in hopes of being secured, there is a remaining gap of $89,015.

Ms. Hughes-Skandijs asked to clarify whether the next budget cycle would include the annual operating budget for the homelessness youth shelter.

Mr. Watt responded that the FY22 budget would reflect an appropriation of $634,000, of which local funding would account for $89,000.

Motion: by Mayor Weldon to forward an appropriating ordinance for the secured funding grants to the Assembly, and asked for unanimous consent.

Motion passed by unanimous consent.

Mr. Watt introduced a second memo on packet page 21, stating that the ZGYC has been awarded $75,000 from the Alaska Department of Labor and Workforce Development to fund an additional homeless youth navigator position. This position will work closely with youths ages 18-24 to provide supportive services and aid in finding and maintaining housing. The navigator position is not a new service for ZGYC, but is an expansion of existing services. The sooner the Assembly is able to appropriate $75,000, the sooner ZGYC will be able to recruit for the position.

Motion: by Mr. Jones to forward an appropriating ordinance for the $75,000 grant from the Department of Labor to the Assembly, and asked for unanimous consent.

Motion passed by unanimous consent.

d. **Architect/Engineer I Position**

Mr. Watt introduced a memo from Ms. Koester on packet page 28, stating that the Engineering and Public Works Department is seeking to reinstate an Architect I position that was unfunded in the FY21 budget. This position is necessary to fulfill capital project planning, design, and construction for Bartlett Regional Hospital (BRH). The position would be entirely funded by Bartlett fund balance via the capital budget.

Ms. Cosgrove stated that this position is accounted for in the FY22 budget.

Motion: by Ms. Hale to support the addition of the Architect I position to the FY21 budget, and asked for unanimous consent.

Motion passed by unanimous consent.

e. **Pending CARES Act Legislation (Forwarded by Assembly on December 22, 2020)**

Mr. Watt discussed updates to the CARES Act funding, stating that an additional $900 billion stimulus package was signed by President Trump on December 27, 2020. This legislation extends the eligible expenditure period under the CARES Act. The extension would allow CBJ to cover the cost of public safety personnel with remaining CARES funds for the period after December 30. Mr. Watt recommended that the Assembly pause on appropriating any additional CARES funding and take time to best assess individual, community, and business needs, as well as take into considering the financial position of the City going into FY22.

Mr. Jones asked for clarification as to when information will be available concerning the final settlement on CARES Act grants from 2020.

Mr. Rogers stated that there are many factors that play into determining the amount of unspent funding that may be returned to CBJ, depending on the specifics of each individual program. Mr. Rogers stated that he will have more information to share with the Assembly towards the end of January.

Ms. Gladziszewski stated that she is interested in Emergency Appropriation Resolution 2933 on packet page 46, questioning whether it is possible to move $700,000 of funding from Bartlett Regional Hospital to the Individual Assistance program, as Bartlett has additional CARES Act funding they can use for the COVID-19 testing equipment.

Ms. Woll reflected the sentiment, stating that she feels an obligation to get money into the community to individuals who applied for the Individual

Assistance program, and questioned whether funding could come from expired programs or from programs that still have remaining funds.

Mr. Watt responded, stating that the Assembly could appropriate additional funding for the Individual Assistance Grant program, however it is a matter of deciding where the funding will come from.

Ms. Walker-Tolles provided an update on the Individual Assistance Grant program to the Committee.

Ms. Hughes-Skandijs stated that she is grateful for the funds that were available to be distributed through the Individual Assistance Grant program, though there is still a large population that that did not receive the assistance they need due to an oversubscription to the program during its first two days of opening.

<u>Motion</u>: **by Mayor Weldon to delay action on CARES Act funding until the next AFC meeting.**

<u>Objection</u>**: by Ms. Hughes-Skandijs and Ms. Woll, who both expressed that individuals in the Juneau community need financial assistance now, and it is important to address that need rather than wait to make a decision in a month.**

<u>Amendment 1 to Original Motion</u>**: by Ms. Gladziszewski to amend the Mayor's motion to delay action on CARES Act funding until the next Finance Committee meeting, however exclude the $700,000 BRH topic from delay, and instead forward a deappropriating and reappropriating ordinance to the Assembly for introduction and consideration on January 25 and public hearing on February 8.**

<u>Amendment to Amendment 1</u>**: by Ms. Hughes-Skandijs to amend Ms. Gladziszewski's amendment to the original motion, instead of forwarding the reappropriating ordinance of $700,000 to the Assembly as a normal ordinance, forward it instead as an emergency appropriation resolution.**

<u>Objection to the Amendment to Amendment 1</u>**: by Ms. Hale and Mayor Weldon.**
Ayes: Woll, Hughes-Skandijs, Smith, Triem
Nays: Bryson, Gladziszewski, Hale, Jones, Weldon

Motion failed. Four (4) Ayes, Five (5) Nays.

Ms. Gladziszewski's amendment to the original motion passed by unanimous consent.

Mayor Weldon's original motion, as amended, passed by unanimous consent.

V. NEXT MEETING DATE

a. Wednesday, February 3, 2021

VI. ADJOURNMENT

The meeting was adjourned at 7:38 pm.