

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Zoom Webinar & Facebook Live Stream
Wednesday, June 17, 2020, 5:00 PM

I. CALL TO ORDER

The AFC meeting was called to order at 5:01 PM by Loren Jones, Chair.

II. ROLL CALL

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

Committee Members Absent: Marie Gladziszewski

Staff Present Virtually: Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney

Other Present Virtually: Max Mertz, Economic Stabilization Task Force Co-Chair; Linda Thomas, Economic Stabilization Task Force Co-Chair, Bruce Botelho, Economic Stabilization Task Force Member

III. APPROVAL OF MINUTES

- a. The May 27, 2020 minutes were approved as presented.

IV. ITEMS FOR ACTION

- a. **Ordinance 2019-06(AH) An Ordinance Appropriating up to \$1,000,000 to the Manager for a COVID-19 Conservation Corp Program; Funding Provided by the CARES Act Special Revenue Fund.**

Mr. Rogers and Mr. Palmer responded to committee questions.

Hs. Hale voiced her concerns about older community members potentially not being able to take advantage of the Conservation Corp Program.

Mr. Botelho, Economic Stabilization Task Force (ESTF) member, responded to committee questions.

Ms. Cosgrove responded to committee questions.

Motion: by Mayor Weldon to amend Ordinance 2019-06(AH) to remove the 8th "Whereas" section.

Minutes - Assembly Finance Committee Meeting

Wednesday, June 17, 2020, 5:00 p.m.

No objection, motion passed unanimously.

Motion: by Mayor Weldon to move Ordinance 2019-06(AH) as amended to the Special Assembly meeting tonight.

Objection: by Chair Jones.

Roll call votes:

Ayes: Weldon, Bryson, Edwardson, Hale, Hughes-Skandijs, Smith, Triem

Nays: Jones

Absent: Gladziszewski

Motion passed 7/1.

- b. Ordinance 2019-06(AG) An Ordinance Appropriating up to \$8,500,000 to the Manager for Phase 2 of a COVID-19 Business Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.**

Max Mertz, ESTF Co-Chair, responded to committee questions relating to total grant awards per business applicant and overall program award amount for phase I and II.

Ms. Hale made the point that if the state legislature did not reconvene to remove the PPP (Paycheck Protection Program) and EIDL (Economic Injury Disaster Loan) exclusion language from their grant agreement, this would put more pressure on city government relief programs.

Mr. Mertz stated that the ESTF wrote a letter to the legislature supporting the removal of this language, and Mr. Mertz testified at the AIDEA hearing to speak against this language.

Chair Jones requested the ESTF come back to the Assembly in the coming weeks to provide an update on the status of phase I of the grant program and provide any recommendations for amendments to the program, if necessary.

Mr. Mertz responded to additional committee questions.

Ms. Triem requested that the ESTF consider doing additional outreach for minority business owners, non-profits and other businesses that may not be as familiar with these programs for phase II and III of the grant program.

Ms. Thomas, ESTF Co-Chair stated that minority-owned business questions were asked on the phase I grant applications, so the task force should have more statistics available prior to phase II and III of the program.

Minutes - Assembly Finance Committee Meeting

Wednesday, June 17, 2020, 5:00 p.m.

Motion: by Mayor Weldon to forward Ordinance 2019-06(AG)(b) to the full Assembly for public hearing on July 13th.

No objection, motion passed unanimously.

c. Alaska Municipal League (AML) FY20 Supplemental Billing

Mr. Rogers presented information relating to the Alaska Municipal League's supplemental billing request. AML is requesting an additional \$130,979 payment from CBJ to make up for lost revenue and additional costs related to the COVID-19 pandemic. CBJ requested additional information from AML relating to the billing. This information is available on pages 22-25 of the packet. Juneau has been asked to pay a more significant portion than other AML members because CBJ is the largest collector of remote sales taxes and at least a portion of AML's lost revenue is a result of remote sales taxes moving more slowly than expected. The manager wanted to give the Assembly the opportunity to weigh in on whether to pay this supplemental invoice. It is unclear whether the full amount of the invoice is eligible under the CARES Act. Mr. Rogers stated that Chair Jones and Ms. Hale may be able to speak more to AML's needs as AML board members.

Chair Jones stated that the supplemental billing request was raised at the last AML board meeting but that the board was not made aware the amount each community would be billed or how AML arrived at the billing amounts. The AML board did feel that the supplemental billing was necessary to cover the extra work being performed by AML to support communities. Chair Jones stated that he would support paying close to the full amount, if not the full amount of the invoice.

Ms. Hale spoke to the outstanding job that AML has done communicating with the legislature and helping the legislature understand the impacts of COVID on communities. She stated that this is an opportunity for Alaska's capital city to be a good neighbor to all municipalities in Alaska that are affected by COVID. Ms. Hale stated that she supports paying the full amount of the invoice.

Mr. Rogers responded to committee questions.

Motion: by Mayor Weldon to move that the attorney draft an ordinance for \$130,979 to be appropriated to the Alaska Municipal League with the money coming from the CARES Act funding and set it for introduction at the next scheduled Special Assembly meeting and have it up for public hearing on June 29th.

Minutes - Assembly Finance Committee Meeting

Wednesday, June 17, 2020, 5:00 p.m.

No objection, motion passed unanimously.

V. INFORMATION ITEMS

a. Small Business Loan Recipients

Mr. Rogers explained that this list is being provided at the request of one of the assembly members. The list includes all loan recipients from the \$3.0 million Business Sustainability Loan Program administered by JEDC and is public information.

VI. SUPPLEMENTAL MATERIALS

a. Ordinance 2019-06(AK) An Ordinance Appropriating to the Manager the Sum of \$50,000 as Funding for the Municipal Arts and Culture Matching Grant Program; Grant Funding Provided by the Rasmuson Foundation.

Mr. Rogers explained that the Rasmuson Foundation has committed \$250,000 statewide for a Municipal Arts and Culture Matching Grant Program. The ordinance allows the CBJ to accept the \$50,000 in match funding, which is the maximum per municipality. Mr. Rogers explained the mechanics of the grant program, and that it can go hand-in-hand with the already-established Business Sustainability Loan Program administered by JEDC.

Mr. Rogers responded to committee questions.

Motion: by Mayor Weldon to move Ordinance 2019-06(AK) to the Assembly for introduction and public hearing.

No objection, motion passed unanimously.

VII. NEXT MEETING DATE

a. Wednesday, August 5th, 2020

VIII. ADJOURNMENT

The meeting was adjourned at 6:06 PM.