



Rental Housing Assistance Subcommittee

A Subcommittee of the Mayor's Economic Stabilization Task Force Adopted Meeting Minutes for Thursday, April 16, 2020

Call to Order

The Rental Housing Assistance Subcommittee was called to order at 3:01 p.m. by Ms. Thomas to discuss Resolution 2889, CBJ COVID-19 Short Term Rental Assistance Program.

Preparation and Discussion of Recommendation for Economic Stabilization Task Force

Ms. MacVay discussed the elements associated with providing the Assembly a recommendation on the resolution:

1. How to address any gaps in housing assistance.
2. Methodologies that are the best use of public funds.

Ms. MacVay opened the topic up for questions prior to recommending a course of action.

Ms. Thomas requested the review of some statements in the resolution, along with public comments suggesting amendments to the resolution or the Letter of Intent. She then asked Mr. Botelho to share the Letter of Intent with the Subcommittee.

Prior to addressing the letter, Ms. MacVay added some context regarding the current rental assistance safety nets, including the Coronavirus Aid Relief and Economic Security (CARES) Act, and the Families First Corona Response Act (FFCRA). Due to the comprehensive coverage in place, it is difficult to pinpoint any gaps unless the committee conducts case-by-case studies. Discussions up to this point have concluded that a needs-based analysis would be the best way to grant funding to serve the most individuals. Therefore, the fact-finding group believes a Letter of Intent to Alaska Housing Development Corporation (AHDC) will help guide them in distributing the funds.

Mr. Botelho read the Letter of Intent for the Subcommittee. He asked the subcommittee if they were willing to use the Letter of Intent as guidance to the administrator of the program. Ms. Thomas preferred using the Letter of Intent and asked for the incorporation of some suggestions received from public comments. Ms. MacVay asked if there were any other areas of concern regarding the Letter of Intent, since the Task Force do not want to run the risk of there being duplication of financial assistance services.

Mr. Botelho suggested there needed to be reporting accountability addressed, as it has not yet been.

The subcommittee discussed whether any one entity should be named in the first bullet regarding coordination, as there are multiple entities in Juneau that assist with housing and the subcommittee sought to avoid duplication. Additionally, the subcommittee discussed whether they should recommend the City divide the funding between entities or grant the funding to just one entity for administration.

ACTION ITEM: The subcommittee decided there should be a single administrator of the funding to reduce administrative burden and create a more efficient process.

Ms. MacVay asked that a timeframe on expending the funds be enacted, along with a provision stating that unused funds will return to the City. She suggested the Subcommittee consider whether it recommends a smaller sum given incrementally, or if it recommends the full \$200,000 given all at once.

Mr. Botelho asked why the City is funneling the money through the Juneau Community Foundation (JFC) to AHDC instead of granting it directly to AHDC. Mr. Rogers explained that AHDC requested the funding come through JCF instead of coming directly from the City. He believes CBJ does not have a preference, from an administrative perspective, how it distributes the funding. He also advised that the ordinance address the disbursement of funds for the sake of clarity. Mr. Mertz preferred removing the intermediary step to reduce reporting and increase efficiency.

ACTION ITEM: The Subcommittee agreed to recommend that Resolution 2889 include a process for accounting for funds, and for the return of those funds to the City if unused by the end of fiscal year.

Ms. MacVay revisited her question about granting a smaller sum of money initially and a larger sum if the need was present or granting the entirety of the funds at once and having any excess return to the City. Mr. Botelho expressed his belief that the entirety of the funding would not be enough to address the need, and that issuing the funding in two installments would create an unnecessary additional step. Ms. Thomas recommended granting the funding in its entirety, since the Assembly believes this to be a good immediate use of the \$200,000.

ACTION ITEM: The Subcommittee agreed to recommend granting the entire \$200,000 in one sum directly to AHDC.

Ms. MacVay asked the Subcommittee to revisit the topic of reporting on the program. Mr. Botelho suggested bi-weekly reporting due to the urgency of the matter, especially as the Assembly is receiving weekly reports on other matters. Mr. Rogers did not see a concern with that frequency of reporting. He added that, due to the current need, funding for the Small Business Loan Program administrated by Juneau Economic Development Council (JEDC) was almost completely exhausted prior to their first report to the Assembly.

ACTION ITEM: The Subcommittee agreed to recommend bi-weekly reporting by AHDC on the program.

Ms. Thomas asked to confirm that two items were in the Letter of Intent:

1. "Funds for rental assistance may not be disbursed for rental units owned by a government entity."
2. "Funds for rental assistance may not cause a reduction in or disqualification of an existing rental assistance program."

Mr. Botelho confirmed these statements were in the Letter of Intent.

Ms. Thomas addressed areas of the resolution:

1. Paragraph M stated, "Whereas providing rental assistance will prevent the need for additional costs and services in the future, which is in the public's interest." Ms. Thomas would prefer the word *will* changed to *may*.
2. Paragraph N stated, "... will result in further adverse impacts to Juneau's economy ..." Ms. Thomas would prefer the word *will* changed to *may*.

She explained that this was due to the uncertainty regarding the impacts of disbursing the money now or for other needs.

ACTION ITEM: The subcommittee agreed to change the words *will* to *may* in paragraphs M and N of Resolution 2889.

Ms. MacVay asked to review paragraph 3A of the resolution. She believes the sentence is overly broad, and that limiting assistance to those who have experienced adverse economic impacts due to COVID-19 would exclude those who have lost employment or childcare but have experienced little financial stress. She reasoned that in some cases, due to assistance from the FFCRA, a parent experiencing a 1/3rd loss of income but no longer paying for childcare may benefit financially due to the high cost of childcare. In other cases, a person who lost employment may still be financially stable enough to not need assistance.

Ms. Thomas agreed that the current language would entitle these scenarios, but only for those up to the area median income bracket; she felt that this limitation specified the language. She suggested including those examples in the Letter of Intent, since AHDC is going to award aid on a case-by-case basis and will have discretion.

ACTION ITEM: The subcommittee agreed that Paragraph 3A of Resolution 2889 should specify that rental assistance is for individuals who have experienced adverse economic impacts, or lost wages, because of COVID-19 that have resulted in the inability to pay rent.

Ms. Maclean suggested that applicants provide sufficient proof of layoff, eviction notice, and/or lack of childcare because of COVID-19.

Ms. MacVay observed that the resolution is focusing on the event, such as the loss of childcare or the loss of wages and was written prior to what we now understand in the FFCRA and CARES Act.

ACTION ITEM: The subcommittee agreed to reword Sections A and C to require sufficient proof of lost wages and/or eviction notice, such as 30-day bank statements and leasing information, to focus on the need and not the event, excepting the COVID-19 event.

Mr. Botelho agreed to distribute a clean copy of the Letter of Intent to the Subcommittee.

Mr. Mertz asked for clarification of the intent of denying assistance for a government-owner rental unit.

Mr. Botelho replied that, in his view, governmental entities should be in a position to absorb the loss of that rental income, as opposed to a private landlord who is not in as strong of a position. Ms. MacVay agreed that governmental entities have their own relief programs in place.

Mr. Mertz asked if the CARES Act provides any specific relief designed for those in Section 8 Housing, or if the clause for denying rental assistance on units owned by governmental entities created an unintended gap. So far, he has been unable to find assistance for those in Section 8 Housing and wondered if someone at the City could look into that specific scenario.

Ms. MacVay shared that, based on her conversations with AHDC, most of these situations involve renters dealing with private landlords, due to other available funding avenues for those in Section 8 Housing.

Ms. MacVay stated that, as a point of process, the Task Force would draft the proposed Letter of Intent and submit it to the Assembly along with a recommendation. Then, Mr. Rogers and Mr. Ciambor will review it for

technical accuracy, after which the Assembly will discuss it and decide which parts they want to reject and accept.

Additionally, Ms. MacVay asked that the Task Force present a document to the Assembly with recommendations on the resolution. Mr. Botelho agreed that the Task Force should propose amendments rather than attempting to recraft the resolution.

Ms. Thomas asked that Ms. MacVay, as Chair of the Rental Housing Assistance Subcommittee, discuss the research and public input at the Task Force level. She believed that this would assure the public that this topic of discussion will continue, and that the Task Force is considering public input.

Ms. MacVay spoke to a public comment the Task Force received broadly requesting moratoriums on evictions, rent relief, etc. She believes this housing rental assistance program, in addition to current law, addresses many, though not all, of the comments received. She asked Ms. Thomas if she anticipated this Subcommittee continuing into the future. Ms. Thomas replied that she anticipated more requests from the Assembly; if there are more requests for housing assistance, then the Subcommittee may resurface.

Adjournment

Hearing no further comments, at 3:51 p.m. the meeting was adjourned.

Rental Housing Assistance Subcommittee Members

Lauren MacVay, Chair • Bruce Botelho • Linda Thomas