

SPECIAL ASSEMBLY MEETING 2023-12 (DRAFT) MINUTES

May 17, 2023 at 5:00 PM



Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

Immediately followed by Assembly Finance Committee Meeting

A. CALL TO ORDER

Meeting No. 2023-12: The Special Meeting of the City and Borough of Juneau Assembly was held in the Assembly Chambers and called to order by Mayor Beth Weldon at 5:04 p.m.

B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and 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!*

C. ROLL CALL

Assemblymembers Present: Mayor Beth Weldon, Maria Gladziszewski, Greg Smith, Christine Woll, Wade Bryson, Michelle Hale (via Zoom) and Alicia Hughes-Skandijs (via Zoom)

Assemblymembers Absent: 'Wáahlaal Gíidaak and Carole Triem

CBJ Staff Present: City Manager Rorie Watt, Deputy City Manager Robert Barr, Acting Municipal Attorney Sherri Layne, Acting Municipal Clerk Diane Cathcart, Deputy Municipal Clerk Andi Hirsh, Finance Director Jeff Rogers, Incoming Finance Director Angie Flick, Budget Manager Adrien Speegle, Finance Administration Coordinator John Nesmith, and Assistant Attorney Emily Wright

D. MANAGER'S REQUEST FOR AGENDA CHANGES - None

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

The public testimony from Ms. Hart took place at the end of the meeting just prior to adjournment.

Karla Hart, a Back Loop resident, provided the following testimony: I am here today to remind you that with 4 ships in town there is \$168,678 worth of costs in health accrued to this community. This is per same numbers that the CBJ Shore power study is based on. Juneau has capacity for only 25% shore power unless more is built. The Juneau shore power grant proposal package glossed over what the costs are beyond dollars to the community in their cost benefit analysis; you and the community must understand what those dollars equate to. When fossil fuels are combusted, they put off nitrogen oxides, which become nitrogen dioxide. Nitrogen Dioxide is not very water soluble so when we breathe it, it doesn't get caught in our nose, it goes deep into our lungs in the delicate, spongy membrane where immune cells are in battle with inhaled viruses and bacteria. Nitrogen Dioxide is a powerful cellular poison that damages those protective immune cells, leaving us more vulnerable to flu, upper respiratory infections, and other diseases, plus they cause inflammation, which triggers asthma. Sulfur Dioxide is water soluble, and when it hits our nostrils it becomes basically battery acid, burning our airway and lungs. Ultra fine particulates carry heavy metals and are small enough to go right into our lungs from our bloodstream. Diesel exhaust exposure is associated with neurological disease, Alzheimer's, and other serious diseases, both for adults and children. CO2 of course is a climate change driver. Today these ships are putting, per the 2007 Juneau statistic I could find, more than double the daily highway transport emissions for CO2 so it's hard for us to achieve our sustainability if we are importing our pollution. I urge you to stop any support or actions towards the fifth

dock until we're addressing the health in Juneau, and you can provide shore power for all of the ships whenever they're in dock because your decisions or your lack of action are actually physically harming the health of people in Juneau. Thank you.

Mr. Smith asked if the health impacts Ms. Hart mentioned are acute exposure or long term or things, we could see in terms of hospital visits or would show up in data that is accessible for review.

Ms. Hart responded that she didn't have access to that data but there is a tremendous body of medical literature that's peer reviewed that says that exposure to diesel exhaust, which is what this is, has these health impacts and there's calculators to know what's coming out of the stack. There's no reason to believe that Juneau residents are any different physiologically than humans anywhere else in the country or the world. So, we might see more asthma attacks; we might see more heart attacks at the hospital. I don't have access to that data, but a lot of it, the neurological effects are cumulative and over a long time the effects to a child that's exposed while they're in the uterus, that's also over time and we won't know.

Ms. Hale asked about the dollar figure Ms. Hart referenced at the beginning of her testimony and if she could send that information to the Assembly showing the source material of where that dollar amount was pulled from.

Ms. Hart responded she had sent that source material to the Assembly previously so they could do their own calculations and she will resend it with this calculation from today.

F. APPROVAL OF MINUTES

1. April 26, 2023 Special Assembly Meeting #2023-10 DRAFT Minutes

MOTION by Ms. Gladyszewski to approve the minutes of the April 26, 2023 Special Assembly meeting as amended by Ms. Hale and asked for unanimous consent. ***Hearing no objection, the April 26, 2023 minutes, as amended, were approved by unanimous consent.***

G. AGENDA TOPICS

2. ORDINANCES FOR INTRODUCTION

Ordinance 2022-06(b)(AX) An Ordinance Appropriating \$8,100,000 to the Manager for the Purchase of the Juneau Bone and Joint Center Building at 3220 Hospital Drive; Funding Provided by Hospital Funds.

This ordinance would appropriate \$8,100,000 of hospital funds for the purchase of the Juneau Bone and Joint Center Building at 3220 Hospital Drive. The property includes over 21k sq. ft. of medical and commercial space in two buildings on a 53k sq. ft. parcel. With clinical and healthcare administration space challenging to come by in the current real estate market, this acquisition would represent one of the few opportunities to increase Bartlett's (BRH) space for growth near our existing campus. Additionally, the existing JBJC property offers steady commercial rental income, providing immediate access to positive cash flow.

This ordinance will appropriate authority to a capital improvement project for the purchase of this building to offer Bartlett maximum flexibility in transaction closing.

This request was reviewed by the Hospital Board at the April 25th, 2023, meeting.

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

MOTION: by Ms. Gladyszewski to introduce Ordinance 2022-06(b)(AX) and forward it to the next regular Assembly meeting for public hearing and asked for unanimous consent. ***Hearing no objections, motion passed by unanimous consent.***

3. PUBLIC HEARING

Ordinance 2022-06(b)(AK)(c) An Ordinance Appropriating \$1,200,000 to the Manager for a Loan for the Ridgeview Subdivision Project; Funding Provided by the Affordable Housing Fund.

During the Fall 2022, Round Two competition of the Juneau Affordable Housing Fund (JAHF), four projects were awarded funding through a competitive funding round. The awardees were announced at the November 28, 2022 Lands Housing and Economic Development Committee meeting and approved at the December 12, 2022 Assembly meeting. The phase one preliminary plat and the preliminary alternative residential development plan were approved by the Planning Commission on December 12, 2022.

This ordinance appropriates funds for a low interest \$1.2 million loan to Rooftop Properties, LLC, or Glacier Heights, LLC, to promote the construction of 24 units of new housing in the midtown area of Juneau. The application indicated long-term plans to build a total of 444 housing units. The loan will be secured by a deed of trust on the property.

The Systemic Racism Review Committee reviewed this request at the February 28, 2023 meeting and forwarded it to the full Assembly for public hearing.

At the direction of the Assembly Committee of the Whole at its March 6, 2023 meeting, the City Manager redrafted this ordinance with substantive changes requiring re-introduction.

The Lands, Housing and Economic Development Committee heard this topic on April 24th and forwarded version (b) to the Assembly. The Manager has updated this version (c) to explicitly authorize the Manager to subrogate the CBJ's interests to those of a commercial lending institution (bank).

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

David Ignell, a West Juneau resident, provided the following testimony: I spent most of my professional career in commercial real estate finance. In my opinion I don't think this ordinance is going to alleviate CBJ's problem with housing and affordable housing. My analysis shows that the return on equity would be about 3% increase which investors are looking for a 20-30% return on equity; so, this subsidized interest rate doesn't move the needle much and adds a layer of complexity to the financing, there'll need to be subrogation agreements and legal costs will go up from a development standpoint. I'm also concerned about the hidden costs. CBJ is taking the role of a financial institution, so you'll need experts in valuation, credit management and legal experts to not only review the documents with CBJ and the developer but also those in first position. My other concern is CBJ is competing with the private sector. We already have people who do second trustee financing, so you'll be taking business away from them. Lastly, I want to see more housing and affordable housing in Juneau; to do so, CBJ will need to look at housing differently and reduce some of the restrictions. We need a city that is more conducive and agreeable to small developers.

Assembly Action

MOTION: by Mr. Bryson to adopt Ordinance 2022-06(b)(AK)(c) and asked for unanimous consent.

Ms. Gladyszewski objected for purposes of question for the City Attorney. The subrogation of CBJ's interest to those of a commercial banking lender is new and asked the attorney to explain why that happened.

Ms. Layne deferred to Mr. Watt. Mr. Watt responded that after a series of long conversations with developers, the Chamber of Commerce, and the banking industry, it became clear that any development project in Juneau is extremely likely to have bank financing. There are very few developers who have the financial resources to build a housing development with their own cash. When a bank is involved the bank is going to only loan to a developer if they are certain that they are going to get a return on their investment but the unfortunate problem we have is a high cost of construction and land development makes projects very difficult to finance through conventional banking loans which is why we have begun the path of low interest loans to help stimulate housing development. If we try to place requirements that put us in front of the bank, the bank won't loan to the developer and we're a relatively small piece of the funding package so the whole deal will fall apart unless we agree to take a position behind the bank.

Ms. Gladyszewski had a follow-up question; how big a risk is this now that we are not in line first. Mr. Watt responded that the ordinance requires this loan be required by a Deed of Trust which means it would be secured by the land, however, by taking a position behind the bank we don't have an effective means of collecting on that in the short term. So essentially, we have a secure loan, but the timeline is long because it comes after the bank.

Ms. Gladyszewski removed her objection.

Mayor Weldon objected for purposes of a question. So CBJ is doing a lesser interest loan to get them into a position to get a loan from a financial institution. Mr. Watt stated that is correct and one way to look at it. Another way to look at it is if a developer doesn't have the cash assets to build a project like this is using all venture capital, those venture capital investors will require a high rate of return. The testifier indicated that, and I agree, venture capital on housing projects is well known to require high rates of return. So, if you are using all venture capital on a housing project in our market with high construction costs, then the project simply doesn't pencil out.

Mayor Weldon removed her objection.

Hearing no further objection, Ordinance 2022-06(b)(AK)(c) was adopted by unanimous consent.

4. PUBLIC HEARING

Ordinance 2023-24 An Ordinance Amending the Elections Code Relating to Election Procedure.

At the January 30, 2023 Regular Assembly meeting, the Assembly directed staff to draft an ordinance which would make by mail elections the default for all CBJ elections going forward unless called for differently by the Assembly. Since that is a paradigm shift in the default method by which we conduct elections, it also required an overhaul of our current election code. Ordinance 2023-24 is mostly a housekeeping rewrite of the election code to streamline and move current by mail election sections 29.07.360 and 29.07.370 into the main body of the election code. It also provides clarity of language and codifies some of the past practices that have been in our policies and procedures into the code to enhance election transparency.

The Assembly Committee of the Whole (COW) reviewed the draft ordinance at its April 24, 2023 meeting and forwarded it to the Assembly. Your packet contains the Municipal Clerk's memo to the Assembly COW with the sectional summary of the ordinance changes to the election code.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment

Karen Lewis (no area of town given)(via Zoom), provided the following testimony: Thank you Madam Mayor and Assemblymembers, I am speaking against mail-in ballots. The election system we currently have not only here in this state, but all our nation is not good. It's become centralized, vulnerable to cheating through machines that can be manipulated and dirty voter rolls that enables ballot stuffing. ERIC [Electronic Registration Information Center], which, I don't know if we still are involved in this program, but I know that we were we have a 121% of eligible voters in our in our voter rolls and this is common for ERIC and the bloated voter rolls creates a way for cheating in elections and this must be fixed. The problem will be solved if we vote and count the ballots at precinct levels. We must have a voting day, not a voting month and in-person voting with very few exceptions. Mail-in ballots should strictly be used for military people who are overseas, and people who cannot vote in-person due to physical disabilities. Mail-in ballots were used to change the outcomes of elections in 2020 and 2022, and probably other ones too. COVID-19 was a believable reason for the Secretaries of State to take it upon themselves to allow mail-in ballots throughout their States, even though the legislature was the body that determines election procedures. In Pennsylvania, tens of thousands of ballots were returned before they were sent out. Hundreds of thousands of completed ballots were shipped from New York to Pennsylvania before the election; the truck driver swore to this in an affidavit. 2.5 million absentee ballots were counted in Pennsylvania, but only 1.8 million in total were sent out. What in the world? There were 202,377 more votes cast than voters voting, this must be fixed. In Michigan, according to the State's Voter Information Center, there were over 8.1 million

registered voters in the 2020 election that makes the States voter registration rate over 100%. There were 31 States involved in ERIC, I don't know how many there are now, a lot of states were dropping out. Alaska deserves secure elections. We must require stringent, valid IDs before a voter can receive a ballot and cast their vote. Many people are receiving more than one ballot in the mail. I mean there are mail in ballots everywhere. Some people get 2, 3, 4, 5 ballots, it's ridiculous and it really must stop. It's one of our most precious rights, and we must stop voting fraud throughout our country, and in this state, we must save our nation. One day in-person voting at precincts will reduce ballot stuffing substantially, and hand counting the ballots at a precinct and not a centralized area where there is a lot of room for vote theft which disenfranchises Alaskan voters. Since I am out of time, I will email the rest of my testimony to the Assembly. Thank you.

David Ignell, West Juneau, provided the following testimony: I don't have as much to say about this. I just think that election integrity is important, and there's a lot of uncertainty about it in our nation right now and in Alaska, and I don't think we need to add to that. I guess in looking at this item today on the agenda, my real question was, why do we need this? I don't see any explanation in the materials as to what the benefit of this is going to be. Why can't we just go as we've been going. I think it's a great social thing when people show up on Election Day and vote. It gets people in the community together. It's a rare opportunity for Democrats and Republicans to be in the same room together and to help heal this divide that we have. So, I think the last thing we want to do is pass this ordinance that creates distance between people. Let's get everybody together and work out our differences. Thank you.

Brad Rider (no area of town given), provided the following testimony: I wonder why we want to fix something that's not broken. How many people came up with this idea and are moving forward with it; it doesn't make any sense to me. Our other way of voting in-person has worked well forever. We used to have them in our garage when I was a kid, my mom did at her house, and it's always worked perfectly. If you're going to move forward with this, it should be a vote by the people and not decided by just a couple of people when it affects the whole town dramatically. There's nothing wrong with in-person voting. I'm totally against this. Thank you.

Chris Wallace, Lemon Creek, provided the following testimony: I have two points on mail-in voting. Last year we received ballots at our house for people who haven't lived in that house at least two families back as well as everybody in-between. If I wanted to, I could fill the ballots out and mail them in. That's the problem with mail-in ballots. My other point is you can't exercise your right to own a gun in this country without going through a bunch of paperwork and proving that you're capable and responsible, you should not be allowed to vote without proving that you're here, and that you are who you say you are. Mailing a ballot to my house with my name on it doesn't make me who I say I am, it just makes our ballot go to our house and anybody can vote it. I think it's wrong, and we shouldn't be doing it at the State, City, or the Federal level. Thank you.

Frank Bergstrom, 7 ½ Mile Glacier Hwy, provided the following testimony: Thank you all. We really appreciate you working hard, and this is a tough job at low pay. Simple point, one of the Assemblymembers prior to the last election, when asked what the primary reason was for going to mail-in ballots was, responded that it was because of voter turnout, and the expectation that there would be greater turn out by people be able to sit at home and mail their ballot in. Well, the last election had lower voter turnout. So, my question to you all is, if the primary reason for going to vote by mail was not achieved and in fact, was the inverse, what is the justification now for continuing and expanding this policy? Thank you.

Assembly Action

MOTION: by Ms. Woll to adopt Ordinance 2023-24 and asked for unanimous consent.

Ms. Woll objected to her motion to address some of the questions that were brought during public testimony. Ms. Woll stated that when mail in voting was discussed as an Assembly in the past, the Assembly wanted to move forward with by mail elections to increase voter participation. She noted the testimony that there was a decrease in voter participation for last year's municipal election. The Assembly races were completely uncontested last year, and so I spent some time looking over the years at voter participation in the types of races heavily contested

versus races that weren't heavily contested; and I do believe the last few years have shown that mail in voting has increased voter participation. Ms. Woll removed her objection.

Objection by Mayor Weldon and Mr. Bryson; Mayor Weldon spoke to her objection, Mr. Bryson did not.

Mayor Weldon stated that she disagreed with the people that talked about the integrity of the elections. She has worked for elections, and it would be very hard, especially at the city level, to vote twice or anything else. Mayor Weldon said her reason for objecting is she feels election day is rather sacred and by voting by mail we've taken some of the emphasis on how wonderful it is to get out and vote; all these precincts had personalities and we lose that with by mail elections.

ROLL CALL VOTE

Yeas: Woll, Hale, Hughes-Skandijs, Smith, Gladziszewski

Nays: Weldon, Bryson

Motion Passes 5:2

H. SUPPLEMENTAL MATERIALS

Ms. Woll gave an update to the Assembly on the City Manager Recruitment Committee process and proposed timeline and invited Assemblymembers to the next meeting on May 30, 2023

I. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 5:45 p.m.

Signed: _____
Diane Cathcart
Acting Municipal Clerk

Signed: _____
Beth A. Weldon
Mayor