

ASSEMBLY FINANCE COMMITTEE MINUTES

April 17, 2024, at 5:30 PM

Assembly Chambers/Zoom Webinar



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

A. CALL TO ORDER

The meeting was called to order at 5:32 pm by Chair Christine Woll.

B. ROLL CALL

Committee Members Present: Chair Christine Woll; Mayor Beth Weldon; Michelle Hale; Greg Smith; Ella Adkison; Wáahlaal Gídaak; Alicia Hughes-Skandijs

Committee Members Present Virtually: Paul Kelly

Committee Members Absent: Wade Bryson

Staff Members Present: Katie Koester, City Manager; Robert Barr, Deputy City Manager; Angie Flick, Finance Director; Adrien Wendel, Budget Manager

Others Present: Jonathan Swinton, Gastineau Human Services Executive Director

C. APPROVAL OF MINUTES

1. April 6, 2024

The April 6, 2024 minutes were approved as presented.

D. AGENDA TOPICS

2. Assembly Grants & Community Requests

Chair Woll reminded the Committee that decisions were not going to be made at this meeting but rather the goal was to determine exactly what the Assembly needed before final decisions were to be made. During this meeting Assemblymembers would have an opportunity to request additional information from the community partners to be included in the next meeting packet. She explained that this new process was meant to be more efficient with the Assembly's time and with their community partners' time. She mentioned there was one Marine Passenger Fee item that was on the list of requests.

Assemblymember Hughes-Skandijs asked for an explanation on why this item was added.

Katie Koester, City Manager, explained that the request was unique and that it didn't fit in with the traditional solicitation of Passenger Fee projects. She stated that she had advised the partner to submit this request, to get it on the Assembly radar.

Chair Woll introduced the funding request from her sponsored partner, Alaska Heat Smart. She stated how important this partner was for the community's renewable energy goals. She described this partner as having one of the largest returns on investment and stated that they had shown themselves to be very successful.

Chair Woll shared that for every dollar of CBJ money spent, Alaska Heat Smart had been able to match with \$3.50 of Federal funds. She expressed that the current ask for this budget cycle was to provide them with operational support for three years.

Assemblymember Wáahlaal Gíidaak asked for the details of the three-year funding for Alaska Heat Smart and whether the Assembly could change their decision during the three years.

Chair Woll answered that there were a few different ways the Assembly could choose to fund them for three years of operation and that the Assembly could choose to remove the funding from the Manager's Budget during a future budget cycle.

Mayor Weldon mentioned that in a recent conversation with AEL&P she learned that Juneau was using more electricity than normal and that this could be due to the increasing use of heat pumps.

Chair Woll introduced the funding request from the Alaska Small Business Development Center (ASBDC), sponsored by Assemblymember Bryson. She asked for any Assemblymember questions.

Assemblymember Smith noted how this request seemed to be missing important information that the Assembly would need to know before making a decision.

Chair Woll asked if they had similar funding arrangements in the other communities that they worked in.

Chair Woll introduced the funding requests from the Alaska Association for the Education of Young Children (AEYC). The first AEYC request was for operational support for the Parents as Teachers program, sponsored by Assemblymember Adkison.

Assemblymember Adkison described the details of the program and shared that AEYC did receive funding from the State. She explained that this funding request was similar to the Alaska Heat Smart request in that it would cover three years of operations.

Several Assemblymembers asked to see the details in AEYC's request broken down, similar to how it was shown in Alaska Heat Smart's request form.

Assemblymember Smith spoke on AEYC's second request he was sponsoring, for the land purchase to help with phase one of the AEYC family center. He stated that AEYC brings the community a lot of value, including in childcare.

Assemblymember Hale asked if AEYC had considered operating their family center in the Floyd Dryden or Marie Drake buildings that are going to be released back to CBJ on July 1, 2024, and that she would like to see an analysis of that scenario.

Chair Woll introduced the funding request from the Downtown Business Association (DBA), sponsored by Assemblymember Bryson, for operational support and their Main Street America accreditation. She asked for any Committee questions about this request.

Assemblymember Smith asked for information showing the historical CBJ Assembly support for DBA.

Angie Flick, Finance Director, stated that this information could be found on the CBJ website in the Assembly Grants section.

Assemblymember Hale asked for more clarity on this request as she didn't feel it showed any details for their future plans, stating that this request read more like a recurring funding request.

Chair Woll introduced the funding request from Gastineau Human Services (GHS), sponsored by Assemblymember Bryson, for low-income housing development and construction. She mentioned that this request was also going to be discussed later in the agenda, that the Assembly had been asked to hold a Vote of Intent on the request.

Assemblymember Hale spoke to the request stating that this funding was to help house people who have fought addiction and have gone through treatment. It would build roughly fifty basic units and aligns with the Assembly's goal of affordable housing.

Chair Woll introduced the funding request from the Juneau Arts and Humanities Council (JAHC), sponsored by Assemblymember Adkison.

Assemblymember Adkison stated that this funding request was an increase from their previous funding years, mostly due to inflation. She stated that this was listed as a reoccurring funding request and that the JAHC was looking to work with the Juneau School District (JSD) to help fill some of the void due to the cuts JSD was recently working through.

Assemblymember Wáahlaal Gíidaak asked for clarity on the request amount, since the total was showing \$420,000 and the reoccurring funding was listed as \$218,000. She asked where the other \$202,000 was coming from.

Adrien Wendel, Budget Manager, clarified that the \$202,000 funding for JAHC was already included in the Manager's Budget, and that if this additional \$218,000 was approved, that would equal total FY25 funding of \$420,000.

Chair Woll introduced the funding request from the Juneau Community Foundation (JCF), sponsored by Assemblymember Hale, to build housing for homeless and low-income populations.

Assemblymember Hale explained how this request was for seed money as potential projects came up to help house homeless people, but not for any specific large projects.

Mayor Weldon expressed difficulty in distinguishing this request from the GHS request, stating that they both ask for \$2 million and that they both want to help house people who are in need. She asked how this request was different from the GHS request.

Chair Woll introduced the funding request from the Juneau Economic Development Council (JEDC), sponsored by Assemblymembers Bryson, Adkison, and Smith, for the Choose Juneau research project.

Assemblymember Smith stated that the goal of this one-time funding, matched by some JEDC funds, was to better understand the demographics of who was coming into Juneau and who was leaving. This information would help the Assembly be more strategic in their policy decisions.

Chair Woll asked if there was a scaled back option for this request.

Assemblymember Hale asked if it was possible to collaborate with the University of Alaska Southeast on a similar research project conducted by graduate students.

Assemblymember Kelly introduced the next funding request for JEDC he was sponsoring with Assemblymember Hale, for the “Scenario Thinking” Strategic Long-Term Planning tool. He described how the scenario planning could help move towards a desired future vision for Juneau or avoid an undesirable one. He explained how it would bring Assemblymembers, community leaders, and experts together to look at different scenarios.

Assemblymember Adkison asked for more details on the different funding levels in the request and a breakdown of the potential results at each level.

Assemblymember Smith introduced the funding request from the Juneau Mountain Bike Alliance (JMBA) he was sponsoring, for phase two of the Thunder Mountain bike park. He described this request as the smallest one-time funding request of FY25. He shared that JMBA had received a grant for some of the project and were looking for more grants.

Assemblymember Wáahlaal Gíidaak asked if the trail system was owned by CBJ.

Assemblymember Smith replied that he didn’t know the answer but that he would look into it.

Assemblymember Kelly spoke on the funding request from the Sealaska Heritage Institute (SHI) he was sponsoring along with Assemblymember Bryson, for the STEAM Fab Lab. He clarified that the acronym STEAM stood for science, technology, engineering, arts, and math. He described that this funding would go towards a facility with a commercial kitchen for education in preparing native foods, a lab focused on the STEAM elements, a digital lab, and a recording studio. He explained that this would create an opportunity to support Juneau’s indigenous youth.

Mayor Weldon asked if this was truly a one-time request, given that SHI had received funding for this project last year.

Assemblymember Wáahlaal Gíidaak stated that she would like to see more details about how this opportunity would turn into careers for community members and how it would interface with JSD’s needs.

Assemblymember Hale introduced the funding request from The Partnership, Inc she was sponsoring for phase two and three of the Capital Civic Center. She stated that a ballot measure had failed to provide funding for it, which led to a new effort to secure private funding. She described an Assembly resolution that amended the settlement agreement with the Cruise Line International Association (CLIA), which indicated that up to \$10 million of passenger fees could be spent on the Capital Civic Center. The Partnership, Inc was requesting \$4 million of that \$10 million.

Assemblymember Hughes-Skandijs asked for more details on why The Partnership, Inc was requesting this amount for FY25.

Assemblymember Smith introduced the funding request from Travel Juneau he was sponsoring, for the Visitor Count research project. He stated that the intent of this one-time funding request was to help determine how many independent travelers came to Juneau this year.

Assemblymember Hughes-Skandijs asked for details on why this request for funds outside of Travel Juneau's fund balance was being made and why they couldn't receive funding from one of their partners.

Chair Woll stated that there would be another opportunity on May 1 to hear answers to today's Assemblymember questions from Assembly sponsors and their partner organizations' members.

The Committee recessed at 6:49 pm.

The Committee reconvened at 7:02 pm.

3. Vote of Intent: Gastineau Human Services Funding Request

Robert Barr, Deputy City Manager, described the need for the Vote of Intent for the GHS funding request to construct a 51-unit permanent supportive housing facility. He stated that they were seeking \$9.5 million in other funding for this project. For their grant applications, they needed to be able to show that the Assembly intended to fund \$2 million. At this time the understanding is that the grants GHS is applying for would be satisfied with a motion of intent from the Assembly. He explained that with the Vote of Intent, the \$2 million would be seen on the pending list as an item that had already been decided for FY25.

Mayor Weldon asked exactly which part of the local population in need GHS was working with.

Jonathan Swinton, GHS Executive Director, answered that GHS runs the halfway house, a substance abuse treatment program, and a transitional living facility for people coming out of homelessness. He described how GHS receives people coming out of other programs in Juneau and assists them in obtaining long-term housing, primarily those in recovery from substance abuse. He stated that once the facility was built, they estimated every bed would be filled within six months to a year.

Chair Woll left the meeting at 7:15 pm.

Assemblymember Hughes-Skandijs asked if the time-sensitive GHS grant application being discussed was for funds from the Federal Home Loan Bank.

Mr. Swinton answered that was correct. He stated that their application needed to be submitted next week for the first \$3 million in funding from the bank and that the Assembly Vote of Intent to support GHS for \$2 million would help secure these federal funds.

Assemblymember Adkison asked if GHS anticipated needing operational costs support from CBJ in the future.

Mr. Swinton answered that they felt confident this facility would be able to support itself in operations going forward.

Assemblymember Smith asked what the maximum length of time someone might stay in this facility.

Mr. Swinton clarified that this facility would be for the purposes of long-term housing, that residents could stay as long as they were qualified as having very low income. He stated that GHS's goal would be to help residents transition to a more permanent housing solution and that it could take from six months up to three years to realize that goal for an individual.

Mr. Swinton answered further Committee questions.

Acting Chair Weldon asked when the due date was for GHS to submit their application for the grant.

Mr. Swinton answered that application due date was April 27.

Assemblymember Woll joined the meeting virtually through Zoom at 7:29 pm.

Motion: by Assemblymember Smith to move to introduce an ordinance at the April 29 Regular Assembly meeting that would fund \$2 million for the GHS project with general fund balance as the funding source as well as a vote of intent for the project.

Objection: by Acting Chair Weldon, stating that she did not feel comfortable encumbering \$2 million for a project when the request letter lacked detail of where those funds would be spent. She stated that there had been no public process for this and there was no attorney present in the room.

Assemblymember Kelly asked what the impact of the program would be if the Assembly made a Vote of Intent and it was later voted down.

Mr. Swinton answered that it would impact the GHS grant application for \$3 million from the Federal Home Loan Bank and from the Alaska Housing and Finance Corporation. Because those grants were dependent on this funding, withdrawal of these funds could jeopardize their approval. He added that GHS did submit more material for the meeting, including architectural drawings, a financial breakdown of all the funding sources, and the Assembly funding request form. He stated he did not know why those materials didn't make it into the packet.

Objection: by Assemblymember Woll, voicing similar concerns as Acting Chair Weldon.

Assemblymember Wáahlaal Gíidaak expressed support for the project but stated it was a difficult decision to make when so much detail of the request was missing from the packet.

Objection: by Assemblymember Adkison for the purposes of asking if a motion to introduce an ordinance on April 29 would satisfy GHS's needs for the grant application.

Mr. Swinton replied that that alone would not be enough to satisfy the requirements of the grant.

Assemblymember Adkison withdrew her objection.

Objection: by Assemblymember Hughes-Skandijs for the purpose of a comment.

Assemblymember Hughes-Skandijs expressed support for funding this project and stated that while the lack of public process for this was undesirable, the need for affordable housing was large enough to out-weigh those concerns.

Objection: by Assemblymember Hale for the purpose of a comment.

Assemblymember Hale stated that she felt this request was by far the highest priority because it was an immediate need. She addressed Acting Chair Weldon's concern but stated that the motion introduces the ordinance on the April 29 meeting and that it could be voted down at that time.

Roll Call Vote on Motion

Ayes: Smith, Kelly, Hale, Adkison, Hughes-Skandijs, Wáahlaal Gíidaak

Nays: Woll, Acting Chair Weldon

Motion Passed. Six (6) Ayes, Two (2) Nays.

The Committee recessed at 7:41 pm.

The Committee reconvened at 7:48 pm.

4. Information Only

Ms. Flick pointed to page 72 of the packet which showed the FY25 revenues and expenditures and the projected ending fund balance. She explained that every time the Committee meets during the budget process, staff would add information to the bottom and give an updated date to show the change to the available fund balance based on the decisions the Assembly had made.

Ms. Flick directed the Body to page 73 of the packet which showed other FY25 fund balances that might be of interest to the Assembly including: hotel-bed tax, affordable housing, tobacco excise, and passenger fees. She explained that these fund balances included everything that was in the Manager's Proposed Budget and that these numbers would also be updated at each meeting during the budget process.

Ms. Flick pointed to page 74 of the packet which showed the AFC's FY25 Pending List. She stated that right now this list included the JSD non-instructional funding outside the cap and the JSD additional shared costs.

Ms. Flick directed the body to the budget calendar on page 75 of the packet. She pointed out that a discussion on Eaglecrest had been added to the May 1 meeting. She stated that if Assemblymembers had Capital Improvement Plan amendments to add to the May 8 meeting, they must be submitted by May 1.

E. NEXT MEETING DATE

5. May 1, 2024

F. SUPPLEMENTAL MATERIALS

6. April 6, 2024 Meeting Minutes

G. ADJOURNMENT

The meeting was adjourned at 7:56 pm.