




City and Borough of Juneau
City & Borough Manager's Office
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DATE: August 3, 2018
TO: Assembly Committee of the Whole, Deputy Mayor Nankervis
FROM: Rorie Watt, City Manager 
RE: Housing First Request

You have received a request to provide a \$1.5M grant and a \$2.7M loan towards a second phase of Housing First. Whether or not to provide a grant is a policy and financial question for the Assembly.

Based on our previous experience with the first phase of Housing First, I do not support the provision of a loan.

1. CBJ originally provided a requested grant of \$1.5 million towards Phase 1.
2. CBJ subsequently provided a \$1.8 million "Bridge Loan" to allow Phase 1 to move forward. The loan was to needed to provide time for the other identified funding sources to be secured and received. The goal was to not need the funding.
3. Ultimately CBJ provided 2 additional payments totaling \$1.2 million. Total CBJ contribution was \$2.7 million.
4. The additional payments were required for 2 reasons: 1) some anticipated funding sources did not come through and 2) CBJ funds were needed/used to cover project cost increases.

The Assembly has many funding requests before it. The costs of providing a grant is knowable and quantifiable, the provision of an unsecured loan is not.