

**ASSEMBLY FINANCE COMMITTEE  
THE CITY AND BOROUGH OF JUNEAU, ALASKA  
Wednesday, June 28, 2017, 5:30 PM.  
Assembly Chambers**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES**
  - a. **Wednesday, June 14, 2017**
- IV. ITEMS FOR DISCUSSION**
  - a. **1% Sales Tax Proposals**
  - b. **Alaska Municipal Infrastructure Federal Funding Requests**
- V. NEXT MEETING DATE**
  - a. **Wednesday, July 12, 2017**
- VI. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: [city.clerk@juneau.org](mailto:city.clerk@juneau.org)

## **DRAFT**

### **City and Borough of Juneau Minutes - Assembly Finance Committee Meeting Wednesday, June 14, 2017, 5:30 p.m.**

#### **I. Call to Order**

The meeting was called to order at 5:35 PM by Jesse Kiehl, Chair.

#### **II. Roll Call**

Committee Members Present: Jesse Kiehl, Chair; Maria Gladyszewski, Norton Gregory, Mary Becker, Debbie White, Jerry Nankervis, and Mayor Ken Koelsch.

Committee Members Participating Telephonically: Loren Jones, and Beth Weldon.

Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Rob Steedle, CDD Director; Carl Uchytel, Port Director, Docks & Harbors; Patty Wahto, Airport Manager; Catherine Fritz, Airport Architect; Dr. Mark Miller, Superintendent of Schools; Robert Barr, Library Director; Roger Healy, Director, Engineering & Public Works; Michelle Elfers, RecycleWorks Manager; Sam Muse, Controller; and Elisabeth Jensen, Budget Analyst.

Others Present: Kevin Ritchie, Best Starts; Blue Shabler, Best Starts; and Jim Calvin, Principal, McDowell Group.

Others Participating Telephonically: Russ Branson, PFM Group Consulting.

#### **III. Approval of Minutes**

The May 10, 2017 minutes were approved as amended for minor corrections.

#### **IV. CBJ & BRH Debt Capacity Presentation**

Bob Bartholomew, Finance Director and Russ Branson, PFM Group Consulting presented the report "Bonding Capacity of CBJ" (pages 11 – 35 of the meeting packet) and responded to questions from the committee.

#### **V. Discuss Budget Process**

Chair Kiehl introduced the topic, with focus being on the Assembly members' vision of structuring the budget process in the coming year.

The Assembly members provided a number of ideas and thoughts on the subject. There was general consensus that there should be more discussion between staff and Assembly, on priorities and goals, prior to the intensive 6 week public process in April and May each

## **Minutes - Assembly Finance Committee Meeting Wednesday, June 14, 2017, 5:30 p.m.**

year. The annual Assembly retreat may provide the forum. Staff was asked to work with the Finance Chair to incorporate other suggestions.

*The meeting recessed at 6:45 PM.*

*The meeting reconvened at 6:55 PM.*

### **VI. 1% Sales Tax Proposals**

Rorie Watt, City Manager; offered pages 36 -90 of the AFC packet; as a starting point for the Temporary 1% Sales Tax discussion. He noted that page 90 provides two options, and that conclusion was reached based on the criteria provided on page 36.

The following proposals were presented to the Assembly during the meeting:

#### **A. Childcare & Development - Best Starts**

Kevin Ritchie, Best Starts; Blue Shabler, Best Starts; and Jim Calvin, Principal, McDowell Group; provided information on the Best Starts request (pages 77-82 of the packet), and responded to questions from the Assembly members.

#### **B. Airport**

Patty Wahto, Airport Manager; and Catherine Fritz, Airport Architect; addressed three Airport requests, Airport FAA Project Match; Airport Snow Removal Equipment Building (SREB) Phase 1c; and Airport Terminal Parking Improvements (pages 38-40 of the packet), and responded to questions from the Assembly members.

#### **C. Docks & Harbors**

Carl Uchytel, Port Director, Docks & Harbors; discussed information on two Harbor requests, Harbor – Aurora Harbor Rebuild Phase III; Harbor – Douglas Harbor Parking and Landscape; (pages 46-47 of the packet), and Waterfront Development Local Contribution / Match; (page 89 of the packet), and responded to questions from the Assembly members.

*The meeting recessed at 8:22 PM.*

*The meeting reconvened at 8:31 PM.*

#### **D. Building Maintenance – CBJ Owned**

Roger Healy, Director, Engineering & Public Works; discussed information on the request (page 43 of the packet), and responded to questions from the Assembly members.

## **Minutes - Assembly Finance Committee Meeting Wednesday, June 14, 2017, 5:30 p.m.**

### **E. Building Maintenance – JSD Major Maintenance / Match**

Roger Healy, Director, Engineering & Public Works; discussed information on the request (pages 44-45 of the packet).

### **F. Waste – RecycleWorks Waste Diversion Program**

Michelle Elfers, RecycleWorks Manager; discussed information on the request (pages 83-84 of the packet), and responded to questions from the Assembly members.

### **G. Wastewater Existing Infrastructure Maintenance**

Roger Healy, Director, Engineering & Public Works; discussed information on the request (pages 85-88 of the packet), and responded to questions from the Assembly members.

### **H. Water Existing Infrastructure Maintenance**

Roger Healy, Director, Engineering & Public Works; discussed information on the request (pages 85-88 of the packet), and responded to questions from the Assembly members.

## **VII. Alaska Municipal Infrastructure Federal Funding Requests**

Rorie Watt briefly discussed the Governor Request Letter on page 91 of the packet and referenced a handout Bob Bartholomew provided to the body for review. A response is due to the Governor by June 30, 2017.

## **VIII. Next Meeting Dates**

Wednesday, June 28, 2017

Wednesday, July 12, 2017

## **IX. Adjournment**

Meeting was adjourned at 9:23 PM.

**Preliminary List of 1% Sales Tax CIP Project Ideas FY 19-24**

**June 28, 2017**

PAGE #		PROJECT TITLE	ESTIMATED AMOUNT	DATE TO BE PRESENTED	
				6/14/17	6/28/17
38		Airport FAA Project Match	\$ 3,000,000	✓	
39		Airport Snow Removal Equipment Building (SREB) Phase 1c	5,500,000	✓	
40		Airport Terminal Parking Improvements	3,000,000	✓	
41		BRH - Rainforest Recovery Center Upgrades	2,500,000		✓
43		Building Maintenance - CBJ Owned	5,000,000	✓	
44		Building Maintenance - JSD Major Mtnc / Match	3,000,000	✓	
n/a	6	Equipment/Fleet Replacement Fund Capital - Emergency Vehicles	3,000,000		✓
46		Harbor - Aurora Harbor Rebuild Phase III	7,000,000	✓	
47		Harbor - Douglas Harbor Parking and Landscape	2,500,000	✓	
48		Housing - Affordable Housing Fund Capital & Existing Grant, Loan, Support Programs	3,100,000		✓
48		Housing - New: Senior Support, Loan, Grant & Redevelopment Programs	2,000,000		✓
n/a	9	IT - Infrastructure Upgrades	2,000,000		✓
54		JACC - The New Juneau Arts & Culture Center	5,000,000		✓
59		Land Fund Capital	3,000,000		✓
65		P&R Augustus Brown Pool Deferred Mtnc	6,000,000		✓
68	12	P&R Centennial Hall Upgrade/Deferred Mtnc	8,500,000		✓
n/a	12	P&R Mt Jumbo Gym Deferred Mtnc	1,000,000		✓
72		P&R Parks	2,085,000		✓
73		P&R Trails	2,525,000		✓
74	18	P&R Treadwell Ice Arena Roof	1,000,000		✓
75		Parking - Downtown/Willoughby Area	8,000,000		✓
77		Childcare & Development - Best Starts	18,000,000	✓	
83		Waste - RecycleWorks Waste Diversion Program	2,000,000	✓	
85		Wastewater Existing Infrastructure Mtnc	18,000,000	✓	
85		Water Existing Infrastructure Mtnc	4,500,000	✓	
89		Waterfront Development Local Contribution/Match	5,000,000		✓
<b>Total</b>			<b>\$ 126,210,000</b>		

**Equipment/Fleet Replacement Fund Capital – Emergency Vehicles**

**Background**

The Equipment/Fleet Replacement Fund accumulates annual contributions from departments’ operating budgets, for the future replacement of vehicles and equipment. The purpose of the fund is to allow departments to make manageable contributions over time, to fund the acquisition of costly equipment, rather than funding the entire purchase from a department’s operating budget in a single year. In essence, this smooths the lumpiness of volatile spending spikes so often associated with fleet replacement.

Historically, the forecasted replacement costs have been based on the original purchase cost of the equipment/vehicle, plus interest over the anticipated life of the item. As budgets tighten, replacement purchases have been deferred, pushing out the inevitable replacement cost as long as possible. However, technological advances in equipment, inflation and increased maintenance costs results in increased costs for the eventual replacement.

Equipment/vehicle replacement is one of the most critical aspects of fleet management.

**Current Situation**

Without substantial adjustment or cash infusion, within the next few years, the Equipment Replacement Fund for certain departments is expected to be in a deficit position. See the attached schedule for the fleet replacement account situation for Fire, Police and Streets. Without a capital contribution to the fleet accounts for these three departments, their operating budgets would need to increase by about \$5M (over 5 years) to fund needed equipment replacement. The estimated annual increase for each of the three department’s operating budgets is outlined in this table.

<b>Department</b>	<b>Operating Increase / Annually</b>
Fire	\$231,250
Police – Vehicles	\$17,500
Police – Non-Vehicles	\$328,750
Streets	\$50,000
<b>Total</b>	<b>\$627,500</b>

**Recommendation**

Initiate levelized funding, with infusion of \$3M (over 5 years) from Temporary 1% Sales Tax. This will decrease near-term budget increases and provide time to transition to a sustainable position. Sustainability is achieved by gradual increases, sales tax contributions and scrutiny of future purchases by the departments and the Manager’s Office.

- 1) **Will Expenditure help reduce future program or facility costs?** Yes
  - a. **Quantify financial impact on operating costs (including minor maintenance).**

The infusion of \$3M will directly reduce the estimated operating increase of \$5M by \$3M.

- b. Quantify financial impact on capital costs over 20 years (including major maintenance).** No
- 2) Does it leverage other money? What Source & how much?** No
- 3) Is there an existing alternative? Physical? Funding? Legislative?** No
  - a. Alternate facility or program?** No
  - b. Alternate funding sources?**  
Yes - other general fund sources there are no known outside funds available.
- 4) Does it address failing or Inadequate Infrastructure?**  
Yes.
  - a. Is the project scalable?** Yes
- 5) Does it help achieve Assembly goals & adopted plans.**  
Yes.

**City and Borough of Juneau  
FY20- FY27 Fleet Reserve Forecast  
June 28, 2017**

**Scenerio 1: BASE CASE**

	Beginning Reserve Balance (FY20)	Revenues			Projected Purchases (FY20-FY27)	Ending Reserve Balance (FY27)
		Planned Operating Contributions	Additional Operating Contributions	One-time 1% Sales Tax Contribution		
		Fire	(349,441)	3,200,000		
JPD - Vehicles	57,684	1,080,000	-	-	1,273,340	(135,656)
JPD - Non-Vehicles*	77,457	1,120,000	-	-	3,586,800	(2,389,343)
Streets	663,220	5,100,800	-	-	5,664,582	99,438
<b>Total</b>	<b>448,919</b>	<b>10,500,800</b>	<b>-</b>	<b>-</b>	<b>15,072,922</b>	<b>(4,123,203)</b>

**Scenerio 2: Increase operating contributions by \$5M (48% increase) to the fleet reserve**

	Beginning Reserve Balance (FY20)	Revenues			Projected Purchases (FY20-FY27)	Ending Reserve Balance (FY27)
		Planned Operating Contributions	Additional Operating Contributions	One-time 1% Sales Tax Contribution		
		Fire	(349,441)	3,200,000		
JPD - Vehicles	57,684	1,080,000	140,000	-	1,273,340	4,344
JPD - Non-Vehicles*	77,457	1,120,000	2,630,000	-	3,586,800	240,657
Streets	663,220	5,100,800	400,000	-	5,664,582	499,438
<b>Total</b>	<b>448,919</b>	<b>10,500,800</b>	<b>5,020,000</b>	<b>-</b>	<b>15,072,922</b>	<b>896,797</b>

**Scenerio 3: Add \$3M of 1% Sales tax, & increase operating contributions by \$2M (20%) to fleet reserve**

	Beginning Reserve Balance (FY20)	Revenues			Projected Purchases (FY20-FY27)	Ending Reserve Balance (FY27)
		Planned Operating Contributions	Additional Operating Contributions	One-time 1% Sales Tax Contribution		
		Fire	(349,441)	3,200,000		
JPD - Vehicles	57,684	1,080,000	40,000	100,000	1,273,340	4,344
JPD - Non-Vehicles*	77,457	1,120,000	1,380,000	1,250,000	3,586,800	240,657
Streets	663,220	5,100,800	-	400,000	5,664,582	499,438
<b>Total</b>	<b>448,919</b>	<b>10,500,800</b>	<b>2,020,000</b>	<b>3,000,000</b>	<b>15,072,922</b>	<b>896,797</b>

\*Does not include 911



**Information Technology Infrastructure**

Information Technology is a critical component of the CBJ’s infrastructure. Staff at all levels of the organization rely on technology for operational efficiencies, management reporting, and service delivery to our citizens. The scope and prioritization of IT investments is handled through the Information Technology Governance (ITG) group which is tasked with assuring IT monies and staffing resources are expended to best meet the critical business needs of the organization

IT priorities identified, but not yet funded include:

<b>Project</b>	<b>Estimated Cost</b>
Computer Aided Dispatch upgrade (Police/Fire)	\$500,000 – 700,000
Conversion of Telecom system to Voice Over Internet Protocol	\$300,000
Enhancements to electronic payments - citizen portal enhancements/upgrade of current GOVERN functionality (revenue/cash management/parcel management system)	\$150,000
Blue Card fire safety personnel tracking system	\$50,000
Enterprise email system upgrade	\$100,000
Infor System Upgrade (CY2020)	\$150,000
<b>Total</b>	<b>\$1,250,000 - \$1,450,000</b>

IT projects not yet prioritized, but on the horizon include:

<b>Project</b>	<b>Estimated Cost</b>
City MDM (Mobile Device Management – Seamless connectivity for CBJ mobile devices)	\$50,000
licensed wireless connectivity	\$125,000
IDS/IPS (intrusion detection and prevention systems)	\$75,000
Security Infrastructure for credit card processing	\$75,000-\$125,000
Enterprise standards and implementation of security cameras	\$200,000
<b>Total</b>	<b>\$525,000 - \$650,000</b>

<b>Grand Total</b>	<b>\$1,775,000 - \$2,100,000</b>
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**Please Note:** These projects are the ones that have been identified at this time. Priorities can change and new needs can arise quickly in response to changing technology demands and the business practices of technology providers. Estimated costs are based on generalized knowledge regarding software costs and implementation complexity. Exact costs will be determined when the project is scoped and bid.

- 1) **Will Expenditure help reduce future program or facility costs?** Yes
  - a. **Quantify financial impact on operating costs (including minor maintenance).**  
IT systems allow for operational efficiencies, enhanced management reporting, and more effective customer service. Investments in IT infrastructure serve the city as a whole and enterprise systems serve enterprise funds as well as general operating departments.

- b. **Quantify financial impact on capital costs over 20 years (including major maintenance).** No

2) **Does it leverage other money? What Source & how much?** No

3) **Is there an existing alternative? Physical? Funding? Legislative?** No

- a. **Alternate facility or program?** No

- b. **Alternate funding sources?**

Yes - other general fund sources, there are no outside funds available.

One alternative would be to develop a cost allocation system that charges each department for a portion (e.g. based on number of employees) of IT costs. This would increase the operating budgets.

4) **Does it address failing or Inadequate Infrastructure?**

Yes. Information Technology is a rapidly evolving world. Systems are quickly outdated and customers have sophisticated expectations of interfacing with the CBJ. That said, we are judicious in how and when we upgrade, milking our existing systems as far along as we can before upgrading.

- a. **Is the project scalable?** Yes

5) **Does it help achieve Assembly goals & adopted plans.**

Yes. Effective IT infrastructure supports the delivery of services to our citizens.

**Recommendation:**

Allocate a portion of the sales funding to establish a 5 year level of funding that allows for IT planning and refresh. During this period evaluate whether a cost allocation component included in the operating budgets is more appropriate than specific sales tax allocation. Requested amount of funding is \$2 million spread over 5 years (\$400,000 per year).

# CBJ Facilities

Centennial Hall

Mt. Jumbo Gym

# Centennial Hall

- Recent Projects
  - Roof Replacement, 2014, ~\$1.5 million
  - Siding Repair and Repainting, 2007, ~\$200K
  - Renovations (Bathrooms, etc), 2015, ~\$1.3M
  - Doors/Entryway, 2016, ~\$150K
  - Generator, 2013, ~\$200K

# Centennial Hall

- Further Needs – 2006 Condition Report
  - HVAC/Control Renovations - ~\$500K
  - Plumbing Replacement Phase II - ~\$400K
  - Interior Painting - ~\$300K
  - Furniture/Fixtures Replacement - ~\$300K
  - Ballroom Flooring Replacement - \$450K
    - Summary - ~\$2M

# Mt. Jumbo Gym

- 2014 Condition Survey – 3 options identified
  - 1) Repair for Continued use: ~\$700K
    - New roof, replacement of failing components
  - 2) Upgrade for Improved Use: \$1.4M
    - In addition to above, new floor, new electrical/mechanical wiring and piping
  - 3) Upgrade for Like-New: \$2.9M
    - Complete exterior envelope replacement; complete replacement of electrical/mechanical systems

### **Mt. Jumbo Gym 2017 1% Sales Tax Renewal**

Mt. Jumbo Gym was constructed in 1940. It is in poor condition and has outlived its expected useful life. The building requires substantial structural improvements if it is to remain open.

A condition survey for Mt. Jumbo Gym was completed in 2014. MRV Architects, R&M Engineering, Murray & Associates, Haight & Associates, and the CBJ Engineering Department recommended the following three options for repair.

1. Repair for continued use: Patched and repaired for a 5-10 year lifespan. \$700,000
2. Upgrade for improved use: Repaired with addition of new finishes for a 10-15 year lifespan. \$1,400,000
3. Upgrade for like-new lifespan: All repairs outlined in option two plus upgrades to bring the facility to like-new conditions for a 25-30 year lifespan. \$2,900,000

### **Preliminary Evaluation Criteria Applied to Mt. Jumbo Gym:**

1. Repairing the structure would reduce incremental maintenance and repair costs. It will also reduce revenue losses incurred due to facility downtime for maintenance and repairs.
2. The improvements to Mt. Jumbo Gym do not leverage other money
3. There is no CBJ operated gym in Douglas. Gastineau Elementary School's gym is used by some community groups outside of school hours. Mt. Jumbo Gym operations are funded through a mix of revenue and general fund support, though revenues are minimal. There are no additional funds available for repairs.
4. The purpose of this project is to replace failing and inadequate infrastructure. The project is scalable as outlined in the three options presented above.
5. The Mt. Jumbo Gym is a neighborhood and community asset with a role in attracting and retaining the next generation workforce as promoted in the Juneau Economic Development Plan.

## **Code Study**

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### **Building History**

The Mt. Jumbo Gym is a 5,800sf gymnasium attached to a 3-story, 12,105sf building. Originally constructed in 1940 as an addition to the previously-constructed adjacent building, the Mt. Jumbo Gym consists of the main 102' x 50' building, a 6' wide connecting Stairway, and RR/Shower Rooms located in the lower level of the adjacent building. The main Mt. Jumbo Gym building consists of a 75' x 50' single-story Gymnasium with a 15' x 50' strip of Stage and Storage/Mechanical Rooms on the West end and a 12' x 50' strip of Office/Storage/Mezzanine on the East. The majority of the building is single-story with a few second story spaces—most notably the Mezzanine over the eastern Office and Storage Rooms.

The original buildings were designed as a single educational facility with the lower-level RR/Shower Rooms of the gym opening directly to the hallway of the school. At a later date, the school was turned into a maintenance/storage facility and the Gym and associated spaces were walled off and used independently as a recreation facility.

### **Building Properties**

1. Construction Type: The building is assumed to be of Type V-B Construction.
2. Building Address: 409 D Street, Douglas, Alaska 99824
3. Parcel Number: 2D040T300010

### **Total Estimated Construction Cost**

Costs are provided for each deficiency. Many items are associated with other items so in planning to correct deficiencies, the associated cost and deficiencies should be analyzed. The costs are for construction only and are estimated in 2015 dollars. If the construction is to take place after 2016, an inflation rate of 3% should be used for each additional year. When planning to address an individual item or group of items, the total project cost including design, construction administration, inspection, FF&E, contingencies, and other indirect costs need to be added to the construction cost. For budgeting purposes, the project cost should be 140% of the estimated construction cost.

### **Summary of Major Work Items**

The Mt. Jumbo Gym currently operates as a low-occupancy recreational space. The gym is not regulation-sized and has no side courts or viewing areas. Current uses include pre-school play space, adult court games, and occasional rental use.

Given the limitations of the facility, the Condition Survey offers three options for repair/renovation (see Appendix for Construction Cost Spreadsheets). All remedial work is identified with a Deficiency Category (Renewal & Replacement - RR, Code - C, Energy Upgrade – E, Functional - F).



## Code Study

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- **Option 1: Repair for Continued Use.** The facility will be patched and repaired as required to continue operation in its current or similar use. Only finishes and systems which are currently failing will be repaired or replaced. The facility will not look or perform much differently than its current configuration, but can continue to be used for 5-10 years. Highlights of the project include:
  - New roof
  - Replacement of failing structural elements
  - Replacement of furnace and correction of ventilation issues

***Construction Cost for Option 1: \$437,245***

***Total Project Cost for Option 1: \$612,143***

- **Option 2: Upgrade for Improved Use.** In addition to the repairs outlined in Option 1 (above), the facility will be upgraded with some new finishes and systems. The facility will feel newish on the interior, and the facility can be used for 10-15 years before further renovations will be required. Highlights of the project include:
  - New athletic floor and interior paint
  - Replacement of mechanical piping and fixtures
  - Replacement of electrical wiring and lighting
  - Voluntary (non-required) replacement of non-code compliant drinking fountain and exterior lighting

***Construction Cost for Option 2: \$848,799***

***Total Project Cost for Option 1: \$1,188,319***

- **Option 3: Upgrade for Like-New Lifespan.** In addition to the repairs outlined in Option 2 (above), all portions of the facility will be upgraded to a like-new condition so that the facility will not need major renovations for 25-30 years. It should be noted that functional issues (such as the undersized gym) will not be addressed. Highlights of the project include:
  - New exterior metal siding and insulation, elimination of all moisture issues through the envelope
  - Removal and replacement of all interior finishes including all interior wood-furring at exterior walls
  - Replacement of mechanical ductwork, new heating controls, and an automatic sprinkler fire-suppression system in the gym.

***Construction Cost for Option 3: \$1,774,832***

***Total Project Cost for Option 1: \$2,484,764***

# Treadwell Arena Roof Replacement

- May 2015 Condition Report identified degradation of roof system.
  - Leaks;
  - Severe winds degrade flashing connections;
- Estimated Cost for Replacement - \$1M

# The New Juneau Arts and Culture Center

350 Whittier St. Suite 101 • Juneau, AK 99801 • 907 586-2787 • [NewJACC.org](http://NewJACC.org)

June 22, 2017

The Honorable Mayor Ken Koelsch  
and City Assembly  
City and Borough of Juneau  
155 South Seward Street  
Juneau, AK 99801

Mayor Koelsch,

The New **JACC** project is a \$26M community based private sector / public sector venture with a mission to construct an arts and cultural facility to replace the failing 60 year old repurposed former Armory Building.

The New Juneau Arts and Cultural Center project will construct a new 45,000 square foot building containing a community hall, 300 seat professional theater, rehearsal spaces, green rooms, audio recording space, theater and function support areas, art gallery, gift shop, café and rental office space for not-for-profit arts organizations.

Over the last three years a highly inclusive public and facility user design process has been undertaken to define building need and function. A commissioned feasibility study has determined the economic viability of operational sustainability through rental and user fees. Construction documents are in development, the General Contractor has been hired and the project is scheduled to break ground June 15, 2018.

Fund raising to date has produced 20% of the total design and construction budget required. The bulk of the funds have come through community contribution and local government support.

The New **JACC** will produce 45 - 50 construction jobs throughout the duration of the 20-month project. This brick and mortar development will provide for \$10M direct monies to be injected into the Juneau economy. These dollars have various multipliers within the community and taking a conservative approach using 3 as the multiplier we have the potential for \$30M in circulation during construction.

The New **JACC** increases and supports the Arts and Cultural industry within a community that is already recognized is one of the top ten small Creative Communities in America. The Juneau arts economy was \$10.7M in 2016. The New **JACC** will be at the core of expanding that proven industry.

The New **JACC** is shovel-ready and replaces a 60-year Armory building that was given to the city of Juneau. The repurposed structure supports activities from weddings to wakes, and serves as the major creative platform for Juneau. The facility has hosted many US and internationally recognized performing artists. The structure has outlived its productive lifetime and is in constant need of repair and maintenance. Renovation has been determined not to be cost effective or supportive of overall programming needs.

The New **JACC** facility will serve Juneau's communities for decades into the future in support of the arts and economic vitality of the region.

Respectfully



Nancy DeCherney  
Secretary

inspired by nature, driven to create