



ASSEMBLY COMMITTEE OF THE WHOLE MINUTES

April 13, 2026 at 6:00 PM

Assembly Chambers/Zoom Webinar

A. CALL TO ORDER

Deputy Mayor Smith called the Assembly Committee of the Whole meeting to order at 6:07 p.m. on Monday, April 13, 2026.

B. LAND ACKNOWLEDGEMENT - Led by Ms. Adkison

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; Deputy Mayor Greg Smith (Chair); Assemblymembers Alicia Hughes-Skandijs, Christine Woll, Paul R. Kelly (via Zoom), Ella Adkison, Neil Steininger, Maureen Hall, and Nathaniel (Nano) Brooks.

Assemblymembers Absent: *None.*

Staff Present: City Manager Katie Koester; City Attorney Emily Wright; Municipal Clerk Breckan Hendricks; and Meeting Tech Kevin Allen.

Other: Executive Director of the Southeast Childhood Collective Blue Shibler

D. **APPROVAL OF AGENDA** - *Approved by unanimous consent.*

E. **APPROVAL OF MINUTES** - *Approved by unanimous consent.*

1. **2026-03-16 Assembly COW Minutes - Draft**
2. **2025-04-24 Assembly COW Minutes - Draft**

F. AGENDA TOPICS

1. **Ordinance 2025-01(b)(AI) An Ordinance Appropriating up to \$270,000 to the Manager for a Grant to Southeast Childhood Collective for Juneau Summer Childcare Programs; Funding Provided by General Funds.**

Deputy Mayor Smith introduced the ordinance and provided background on the proposal, noting the decline in childcare capacity from approximately 180 slots in prior years to about 60 currently available. He explained the funding would support expansion of school-age childcare

programs through the Southeast Childhood Collective and was intended to address urgent community need ahead of the summer season.

Mr. Brooks asked for clarification regarding the age group served by the funding. Deputy Mayor Smith clarified that the funding is intended for school-age childcare and contrasted it with existing City startup grants that apply only to ages 0–5.

Ms. Hughes-Skandijs asked about the relationship between this proposal and previously returned school district funds and whether the funding source influenced the proposal. Deputy Mayor Smith responded that the proposal was driven primarily by timing and need, though the returned funds may have contributed to broader awareness of the issue.

Mr. Kelly asked whether licensing would be a goal of the funding. Deputy Mayor Smith confirmed that licensing is a goal of the funding.

Ms. Woll asked staff about procurement considerations and whether the City could provide funds through a nonprofit that would in turn support private providers. Manager Koester explained that the City’s contractual relationship would be with the nonprofit, which would administer the funds consistent with procurement requirements.

Blue Shibler, Executive Director of the Southeast Childhood Collective, addressed the Assembly and confirmed that the current provider is licensed and that additional sites would be required to obtain licenses as part of the funding agreement. She explained that startup funding is critical to overcoming staffing and operational barriers and expressed confidence that the programs could become sustainable with initial support.

Ms. Woll asked about long-term sustainability and whether the programs could operate without continued City funding. Ms. Shibler responded that school-age childcare is generally more financially viable than early childhood programs and that startup support would help programs reach stability.

Mayor Weldon expressed concern about allocating funds outside of existing processes and questioned why existing childcare funding was not being redirected to support the program. Ms. Shibler responded that current funding was designed for different groups and would require policy changes to shift.

Ms. Hughes-Skandijs asked for clarification on prior childcare capacity and expectations for the upcoming summer. Ms. Shibler explained that last summer the school district provided approximately 142 slots and that, without intervention, the current capacity could remain around 60.

Ms. Hall asked about licensing requirements for multiple sites and how eligibility for state childcare assistance would be affected. Ms. Shibler confirmed that each site requires separate licensing and that licensure is necessary for families to access state assistance.

Ms. Hall also asked about the viability of the program given prior challenges faced by the school district. Ms. Shibler explained that staffing models differ and that the current provider's year-round operations (Auke Lake Preschool childcare center) may offer greater stability.

Ms. Woll asked whether impacts of discontinuing the school district's program had been fully considered. Ms. Shibler indicated that the decision appeared to have been made quickly and that the impacts may not have been fully anticipated.

Ms. Hughes-Skandijs asked whether multiple providers had been considered when the current operator stepped in. Ms. Shibler stated that outreach was conducted, but only one provider responded.

MOTION by Mr. Steininger to forward Ordinance 2025-01(b)(AI) to the full Assembly for public hearing.

OBJECTION by Mayor Weldon, citing concerns about process, preferential treatment, and use of funds outside established grant programs.

Ms. Woll spoke in support of advancing the ordinance, noting the importance of childcare and indicating her final vote would depend on broader budget considerations.

Ms. Hall spoke in support, emphasizing the community need and the importance of providing safe care options for children.

Mr. Kelly stated he would not stand in the way of the proposal, though he expressed a preference for maintaining the school district program.

Mr. Brooks spoke in support, noting the funding aligns with prior program goals.

Ms. Hughes-Skandijs stated she would support moving the ordinance forward, emphasizing childcare as a critical community priority.

Deputy Mayor Smith acknowledged concerns about process and budget impacts but stated he would support the motion due to the urgency of the need.

Ms. Woll raised concerns about the process used to introduce the ordinance and suggested the Assembly may wish to revisit its procedures.

Attorney Wright and Manager Koester clarified that the ordinance was properly introduced under existing rules, though its use is uncommon.

Roll Call Vote:

Yeas: Steininger, Brooks, Hall, Adkison, Kelly, Woll, Hughes-Skandijs, Smith

Nays: Weldon

Motion passed: 8 Yeas, 1 Nay.

[The Assembly took an at-ease from 6:47 p.m. to 6:52 p.m.]

2. Telephone Hill Development and Timeline

Manager Koester provided a summary of the memo included in the packet. She explained that the Assembly was moving forward with demolition of existing structures and the subsequent developer solicitation process. A Request for Proposals (RFP) for demolition was issued on April 6, 2026, with bids due April 27, and an anticipated award date of May 18, 2026. The estimated demolition cost is approximately \$2.3 million. She noted that demolition is only one portion of the overall project, which also includes blasting and site preparation for utilities.

Manager Koester further explained that staff intends to issue a second RFP to hire a professional firm to develop a Request for Qualifications (RFQ) for developers. This RFQ would incorporate the Assembly's previously discussed statement of objectives and translate those into evaluation criteria, including priorities such as increased density and reduced reliance on City subsidy. She indicated that development of the RFQ would take several months, with a recommended 90-day posting period, potentially resulting in the RFQ issuance in July and awards in October. She also noted that litigation related to the project is ongoing, with a jury trial scheduled for August, but confirmed that there is currently no court order preventing the City from proceeding with demolition.

Mr. Steinger questioned the timing of awarding the demolition contract given the pending August jury trial. Manager Koester, with input from Attorney Wright, clarified that there is no legal prohibition on moving forward with demolition at this time.

Ms. Woll asked whether there would be an opportunity to revisit the statement of objectives. Manager Koester responded that staff understood prior direction to be that the document was substantially complete, but noted that refinement could still occur as part of the RFQ development process.

Mayor Weldon then presented a proposed alternative approach. She explained that her proposal was intended to respond to public concerns about additional spending on the project and to expedite resolution. The proposal would divide Telephone Hill into three parcels: one retained by the City for potential workforce or Coast Guard housing (estimated at 20–30 units), and two parcels sold as-is through a competitive process. She noted potential advantages including reduced City expenditures, responsiveness to public input, and flexibility for developers to pursue projects on their own timelines. She also acknowledged potential disadvantages, including loss of City control over development outcomes and uncertainty regarding bidder interest.

Ms. Hughes-Skandijs sought clarification regarding references to "homeowners," confirming that the City is the current owner of the properties and that former occupants are no longer residents.

Ms. Woll asked what outcomes the Mayor envisioned for the parcels being sold. Mayor Weldon

stated that she anticipated developers purchasing the parcels and determining their own development plans, potentially later seeking City funding through existing housing programs.

Mr. Steininger raised concerns about property boundaries and structures crossing parcel lines. Manager Koester explained that existing lot configurations are irregular and would likely require replatting for individual parcel sales, but indicated that this would not prevent the broader concept from proceeding.

Ms. Hughes-Skandijs expressed concern that prior feedback from contractors indicated reluctance to engage due to the political sensitivity of the project and questioned whether development would occur under the proposed approach. Mayor Weldon responded that some developers viewed existing structures as potential interim assets and suggested that demolition itself was not the primary concern.

Mr. Brooks suggested a possible modification to parcel boundaries to improve development feasibility and discussed considerations related to bid structure, including whether minimum bid thresholds could limit participation by smaller or community-based entities. Mayor Weldon responded that minimum values were intended as baseline estimates and that sealed competitive bidding would ultimately determine market value.

Mr. Brooks asked how the proposal would impact the existing demolition bid. Manager Koester advised that the current bid would likely need to be canceled and reissued in a modified form.

MOTION by Mayor Weldon to forward a draft ordinance authorizing the Manager to dispose of a portion of Telephone Hill Properties through competitive sealed bid to the full Assembly.

OBJECTIONS by Ms. Hughes-Skandijs and Ms. Woll. Ms. Hughes-Skandijs expressed concerns regarding the process, alignment with established project goals, and potential impacts on housing outcomes. Ms. Woll emphasized the importance of prior planning efforts and the need for continued City investment to achieve meaningful housing development.

Mr. Brooks spoke to concerns about project costs and suggested that alternative approaches may better leverage limited resources.

Deputy Mayor Smith indicated opposition, noting uncertainty regarding outcomes and expressing interest in obtaining additional information through the RFQ process.

Ms. Hall spoke in support of the Mayor's proposal, citing fiscal concerns, responsiveness to public input, and the desire to reduce demands on staff resources.

Mr. Steininger spoke in opposition, emphasizing the importance of maintaining flexibility and exploring comprehensive development options before making irreversible decisions.

Additional comments were provided by Ms. Hughes-Skandijs regarding community input, policy considerations, and the importance of maintaining momentum on housing initiatives.

Roll Call Vote:

Yeas: Weldon, Brooks, Hall, Kelly

Nays: Hughes-Skandijs, Woll, Steininger, Adkison, Smith

Motion failed: 4 Yeas, 5 Nays

[The gavel was passed to Mayor Weldon]

MOTION by Deputy Mayor Smith to not award the demolition contract for Telephone Hill until after responses to the RFQ are received.

OBJECTION by Ms. Woll, expressing concern that delaying demolition could undermine project certainty and developer interest.

Ms. Hughes-Skandijs also spoke in opposition, citing concerns about sequencing and potential impacts on RFQ responsiveness.

Mr. Brooks spoke in support, emphasizing the value of obtaining broader development input prior to committing resources.

Mr. Steininger supported the motion, citing the importance of avoiding irreversible actions before evaluating available options.

Mr. Kelly also spoke in support, noting the benefit of additional information and flexibility in the process.

AMENDMENT by Deputy Mayor Smith to include language supporting the Manager in prioritizing efforts to solicit and encourage responses to the RFQ.

OBJECTION by Ms. Adkison for the purpose of a question, asking whether the amendment would change staff's approach. Manager Koester responded that staff would implement Assembly direction in the most efficient and expeditious manner and noted that closely divided decisions can add complexity to administration.

Hearing no further objection, the amendment passed by unanimous consent.

Roll Call Vote:

Yeas: Smith, Kelly, Steininger, Hall, Brooks

Nays: Woll, Adkison, Hughes-Skandijs, Weldon

Motion passed: 5 Yeas, 4 Nays.

The motion to delay awarding the demolition contract until after RFQ responses are received, as amended to include support for the Manager prioritizing efforts to solicit and encourage responses, passed.

Ms. Woll and Ms. Hughes-Skandijs expressed appreciation for the discussion and reaffirmed their commitment to advancing housing solutions.

[The gavel was passed back to Deputy Mayor Smith and a brief at-ease was observed from 7:56 p.m. to 8:06 p.m.]

3. Gondola / Goldbelt Response

Manager Koester presented an update on the gondola project, including Goldbelt's response to questions posed by the Eaglecrest Board. She summarized prior Assembly direction from the April 1 Finance Committee meeting to terminate the Reimbursement Services Agreement (RSA) and pursue repayment to Goldbelt while continuing to explore other investor opportunities. She noted the financial implications, including approximately \$70,000 per month in interest accrual, partially offset by investment returns.

Manager Koester outlined options for addressing project assets, including liquidation of gondola components (estimated at \$1.5–\$2.75 million) or retaining and marketing the nearly complete system to potential investors. She also discussed ongoing costs, including storage of gondola components in Austria and refurbishment work in Colorado, as well as uncertainties related to tariffs and logistics.

Manager Koester also reviewed potential non-cash compensation considerations, including land transfers. She noted Goldbelt's interest in certain CBJ properties, including the aerial tramway site and waterfront parcels, and clarified that no authority had been granted to negotiate land transfers. She emphasized that any such actions would require further Assembly direction and coordination with the Docks and Harbors Board and Eaglecrest Board. Manager Koester recommended proceeding with appropriating funds to terminate the RSA while continuing negotiations with Goldbelt and exploring other opportunities. She noted that the proposed \$9.5 million appropriation, combined with remaining project funds, would significantly impact the unrestricted fund balance.

Mr. Brooks asked about the feasibility of structuring repayment through a combination of land, lease adjustments, and asset valuation. Manager Koester responded that while creative options exist, they would require additional time and coordination between multiple governing bodies, and that immediate repayment would stop ongoing interest accrual.

Mayor Weldon asked whether lease revenues could offset interest costs. Manager Koester confirmed that lease revenues would not keep pace with the accruing interest.

Ms. Hughes-Skandijs asked for clarification regarding storage costs and potential disposal expenses. Manager Koester explained the ongoing costs associated with storing components overseas and noted that both liquidation and continued marketing of the gondola would require additional expenditures.

Ms. Woll asked about the estimated resale value of the gondola components. Manager Koester

responded that the estimate is based on industry input and market uncertainty, noting that the equipment's value has decreased since its original purchase.

Manager Koester discussed the proposed appropriation amounts and remaining project funds, including the need to retain funds to address existing obligations and contingencies.

MOTION by Mayor Weldon to introduce Ordinance 2026-18, terminating the RSA with Goldbelt, and a corresponding appropriating ordinance of \$9.5 million in fund balance and \$2.7 million in remaining gondola project funds, with the intent to bring the ordinances forward at the April 29, 2026 Special Assembly Meeting.

OBJECTION by Ms. Hughes-Skandijs for the purpose of a question regarding the use of remaining project funds versus future appropriations for contingencies. Manager Koester explained the need to retain sufficient funds in the project account to cover existing obligations and accurately reflect total project costs. She also clarified assumptions regarding fund balance projections and emphasized the importance of maintaining flexibility for future financial decisions.

Hearing no further objection, the motion passed by unanimous consent.

[The Assembly took an at-ease from 8:37 p.m. to 8:39 p.m.]

G. STAFF REPORTS - None

Special Acknowledgement:

Mayor Weldon took a moment to acknowledge the passing of two longtime Juneau community members, Sid Smith, one of the last of the Smith family associated with the former Valley dairy property, and Jean Overstreet, the wife of former Mayor Overstreet. She expressed condolences to both families and recognized their contributions to the community.

H. NEXT MEETING DATE - MAY 4, 2026 AT 6:00PM

I. SUPPLEMENTAL MATERIALS

J. ADJOURNMENT

With no further business to come before the Assembly Committee of the Whole, the meeting adjourned at 8:47 p.m.