ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA

June 6, 2022, 6:00 PM.
Assembly Chambers/Zoom Webinar/YT Livestream
https://juneau.zoom.us/j/95424544691 or 1-253-215-8782 Webinar ID: 954 2454 4691
Assembly Worksession: No Public Testimony Taken

AGENDA

I. CALL TO ORDER

II. LAND ACKNOWLEDGEMENT

III. ROLL CALL

IV. APPROVAL OF AGENDA

V. APPROVAL OF MINUTES

- **A. February 14, 2022 DRAFT Assembly COW Minutes**
- **B. March 7, 2022 DRAFT Assembly COW Minutes**

VI. AGENDA TOPICS

- **A. Short-Term Rentals & Housing Action Plan Update**
- **B. 1% Sales Tax**
- **C. New City Hall**

VII. NEXT MEETING DATE

- **A. June 27, 2022 at 6pm**

VIII. SUPPLEMENTAL MATERIALS

- **A. Mill Rate Chart - New City Hall Agenda Topic**

IX. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE (COW)

DRAFT Meeting Minutes – February 14, 2022

I. CALL TO ORDER

The Assembly Committee of the Whole Meeting, held in the Assembly Chambers and broadcasted virtually via Zoom, was called to order by Deputy Mayor Gladziszewski at 6:00p.m. However, due to technical difficulties, the meeting was recessed and resumed at 6:20p.m.

II. ROLL CALL

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

Assemblymembers Absent: ‘Wáahlaal Gíidaak

Staff Present: City Manager Rorie Watt, Deputy City Manager Robert Barr, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Deputy Clerk Diane Cathcart, Community Development Director Jill Maclean, Parks & Recreation Director George Schaaf, Chief Housing Officer Scott Ciambor, Assistant City Attorney Sherri Layne

III. APPROVAL OF AGENDA

The agenda was approved as presented.

IV. APPROVAL OF MINUTES

A. December 20, 2021 Assembly Committee of the Whole DRAFT Minutes

Hearing no objections, the minutes of the December 20, 2021 meeting were approved by unanimous consent.

V. AGENDA TOPICS

A. Hazard Mapping Update/The Glory Hall “TGH” Grant

Hazard Mapping Update

Links were provided to the November 29, 2021 Lands Housing & Economic Development Committee packet and the December 20, 2021 Assembly Committee of the Whole packet for backup materials.

Manager Watt provided a memo in the packet along with some additional resource materials that were provided as supplemental materials in the red folder. Mr. Watt’s memo makes recommendations related to risks and time periods. Mr. Watt noted that avalanches and landslides have significant differences and while they have had a lot more data and the ability to track avalanche information over time, they have less data on landslides in the area. He notes that in his memo, when he is making recommendations related to the 50 year timeline, it is primarily talking about landslides in that timeline rather than avalanches. He said from a policy standpoint, it is easier to work on avalanche policies than it is to work on landslide policies. He went through a series of maps that were provided comparing the avalanche and landslide color coded maps.

In speaking to the landslide type of events, Manager Watt said that the severe events could be broken into two distinctively different types of hazardous events: the high frequency/relatively low hazard event or a “gully washer event”; and the low frequency/catastrophic events which would be “what happens if the whole mountain collapses” type of event. He then proceeded to go into detail with the various maps as to when/how these types of events would play out in different possible scenarios.

He said that we want to update the hazard maps as they have been hard to work with for not only staff but also the property owners. He said it is worth updating them and we want to do two things as a results of the two studies. We want to inform the public about risk and we also want to make land use policy decisions about restricting development and/or requiring higher degrees of engineering to protect against those kinds of events. Mr. Watt said it is a complicated topic and what most of us want to know is how do we responsibly determine how best to live and develop downtown. This is where we are and not to be cavalier about hazards, everyone worldwide lives with some types of hazards. He said there are hazards not just in the downtown area but there are slopes in other parts of the community such as Douglas, Lemon Creek, Heizelman’s Ridge as well.

Mr. Watt said he is hoping the Assembly will accept his recommendation (as found on the bottom of his memo, packet page 18) which is that we address the risks that are predicted to occur within an understandable timeline, 50-years or so, as opposed to geological timelines. He compared that to the types of timelines referenced in the Canadian geological survey paper that referenced “possible” which is something predicted to occur between 100-1000 years. He said that his premise is that if something is possible in the 100-1000 year timeline, it is pretty fuzzy and likely probably beyond level of what they may want to limit activity. He said if the Assembly was in agreement with his recommendation, the next steps would be to funnel this to the Community Development Department and the Planning Commission. He noted that the last time the Assembly looked at this, it accepted the Planning Commission’s recommendation which was not to adopt the maps at that time but rather to develop code changes in concert with the maps. Mr. Watt said that his recommendation is to develop code in concert with the maps along with the philosophical sidebar related to the timing as listed above.

Mr. Watt then answered questions from Assemblymembers related to how the maps inform the code development process, the timelines as they relate to climate change, avalanche forecasting vs. zones, updates from what Sitka decided to do, and any industry impacts for insurance or financing that this may bring about. He also addressed the Mayor’s questions about the “ALARP” (As Low As Reasonably Practical) designation mentioned in the Canada geological survey as well as Ms. Hales questions about the “Cold Storage Slide” in downtown.

He spoke to the differences between gully washer events vs. those that would be bedrock failure types of events that could potentially wipe out the areas in the “moderate” zone in downtown Juneau. He also spoke to the differences between the avalanche maps vs. the landslide hazard mapping and from a practical matter, the new avalanche mapping doesn’t change much from our historical avalanche maps. He said that that the impact pressures makes sense and the severe avalanche areas, they already have a good policy in place of not adding dwelling units in those severe zones. He said they are going to balance that are already living in those severe zones and they have chosen the risk to live in those areas. He said that is the razor’s edge they are walking from a policy standpoint, not more development but allow those who already there to live peaceably. He said in looking at historical records, there were a number of avalanches that did reach tidewater or Glacier Highway in the 1960ish timeframe.

Mr. Watt said that with respect to Sitka, they have a different type of geology they are dealing with which includes slopes with an under layer of volcanic dust. He spoke to the Haines area and while he hasn’t been there in person since their landslide, he has looked at a lot of aerial photography and Google Earth. He said the thing that worries him is that that Juneau, much like Haines, has a lot of slopes that are less steep, less shallow to bedrock, forested, no obvious signs that a particular location would be an area of concern. He said that Emergency Programs Manager Tom Mattice advised him that there is a workgroup in Sitka that is trying to contemplate some early warning monitoring systems. He said they are going to participate with that workgroup in the hopes of seeing where that might lead on the informational side as opposed to the restricted development side.

Mr. Watt said that with respect to insurance or financing, he isn’t entirely sure the impacts but thinks that while the hazard maps do affect insurance and bank loans, he doesn’t feel they are prohibitive. They do make it harder. He said that people are buying and selling homes downtown and people are buying flood insurance. He explained that CDD had recommended to the Planning Commission not to regulate in the moderate (yellow area of downtown) zone of the maps. He said they had some push back from the public that they didn’t want to be on a map, even if it wasn’t regulating them, because they don’t know what banks, underwriters and insurance companies might do in the future; while it may not currently be an issue, it is a legitimate concern. He noted that they made several changes to CBJ code recently, such as non-conforming certificates, to help people with changes that banks and underwriters have made. He said they do need to be mindful of that and it is another part of the balancing act between making responsible choices and not have a chilling effect on lending.

Manager Watt also provided some historical context with respect to two major landslides in downtown Juneau, one was in 1921 and one in 1935. The one in 1935 is referred to as the Cold Storage slide because there was mud on S. Franklin Street that in looking at historical photographs, was approximately 10 feet deep. He said there were fatalities associated with that 1935 slide and those should be cautionary notes to us. He said that we, as a city, did two things in the years leading up to those slides which are two things you just don’t do on steep slopes: 1) cut down all the trees for lumber and firewood that overtime the root wads no longer were stable against the mountainside and 2) the mine built a railroad along the side of the hill laterally which necessarily changed drainage and in order to make a good railroad bed, they dumped a lot of rock over the side of the hill which added a lot of weight to the side of the mountain. He stressed that those two things are absolutely two things one should not do in a hazard area. He said in light of those factors, we need to be mindful that we have had those events especially in light of the fatalities but that it is reasonable to attribute some of the cause of those slides on the human activities that lead up to it.

When asked about policy or regulation changes or mitigation measures, if any, that might be available for buildings already within the hazard zones, he said the Assembly may want to look at policies they may want to consider with respect to pivoting current uses in certain areas for future permitting. He said that on existing buildings, this is something they will be encountering a lot. With respect to the upstairs downtown concept, can they figure out how existing buildings can be renovated to restore old apartments and that is a different burden than a new development. Comparing those to new development that is engineered to any new standards, those historic building renovations will likely be a lot harder. He noted that when they look at the mapping, he anticipates that there will likely be some public push back on where the red lines occur in the mapping vs. the location of current buildings in anticipation that some of the current buildings would in fact block some of the potential hazardous from taking place.

Additional discussion then took place between the Assemblymembers, Mr. Watt and Mr. Palmer related to the maps that are currently in effect vs. new proposed maps, the classification differences and how they differ based on avalanche or landslide hazards. Mr. Palmer, in answering questions related to liability factors provided case history and said that the liability factors are very case specific. He provided details about the Oso, Washington landslide and the county vs. the city and the "risk doctrine" involved and compared that to the incident and risk/liability factors involved with Sitka. He said that the balancing act that we walk is trying to describe activities where we have discretion and as long as we apply that discretion reasonably, we have the best defenses that we can to say we are not liable and you cannot sue us. He said that if we assume the risk, similar to what was done in Oso that might change the fact pattern somewhat. He has not seen that happen in Alaska yet but obviously, it is not far from us. In answering additional questions about regulatory actions if they were to implement something requiring disclosures to potential homebuyers or renters about the hazard zones, he said that state statutes currently provides CBJ immunity in terms of regulatory permitting actions. He noted that if that disclosure were required under Title 49, there would be a good connection to say that we would have immunity and would not be liable but if it were required outside of Title 49 that would most likely be different.

MOTION by Mayor Weldon to direct the Manager to work with the Planning Commission to develop code recommendations that address landslide and avalanche risks that are predicted to occur in an understandable time, no more frequent than every 50 years*, and to develop implementation strategies about communicating hazard risks for non-related scenarios.

Ms. Triem asked if they could change the timing from "every 50 years" to read "every 100 years."

The committee took a brief recess.
AMENDMENT upon return from the recess Mayor Weldon amended her motion to substitute *100 in place of the 50 years timeframe.

Hearing no objection, the motion, as amended, was adopted.

The Glory Hall Grant
Mr. Watt explained that this item was left over from the December 20 COW meeting and the memo in the packet offers four options for the Assembly to consider when making its decisions and they could select one or more of the options.

Mr. Bryson informed the Assembly that he is now the newest member of the Glory Hall Board of Directors and said he did not discuss this possible conflict of interest with Mr. Palmer prior to the meeting.

Mr. Palmer asked for a brief at ease. Chair Gladziszewski called for a 5 minute break.

Chair Gladziszewski asked Mr. Palmer to speak to the conflict of interest issue. Mr. Palmer explained that the Attorney's role is to advise on conflicts of interest and it is the Chair that makes the ruling which may be challenged by the body if they choose. Mr. Palmer said that Mr. Bryson does not have a conflict of interest, by code, since Mr. Bryson does not get any compensation for her service on the board and our code specifically exempts non-profits giving rise to personal conflicts of interest. What he has advised Mr. Bryson, and others who are in similar situations, is to declare the potential conflict of interest to the body every time and if there is any specific to the topic or issue at any particular meeting, the body can make a ruling of such at that time. Chair Gladziszewski thanked Mr. Palmer and noted that she as the Chair rules that Mr. Bryson may participate in this agenda topic but that should anyone on the body wish to challenge that ruling they may do so. Hearing none, Mr. Bryson continued to participate in the meeting.

Ms. Hale said that this topic came before the Lands, Housing and Economic Development and they ran out of time to really discuss it. She said that she'd like to propose a fifth option for COW consideration. She said that there was concern at the LHED that the scoring committee was actually ruling on something that was not in their area of expertise. They actually rated the Glory Hall as their top choice and then they got information about these new hazard maps and that the Glory Hall might be in that hazard area. She said they have then taken it out of consideration. Those hazard maps have not yet been adopted and she asked if the Manager could let them know if a fifth option would be possible and that would be for the scoring committee to meet again and look at the Glory Hall again, given the new information that the Assembly has been given, and see if they recommend to the Assembly that they appropriate the $300,000. Chair Gladziszewski asked Ms. Hale if that is to be taken as a motion. Ms. Hale said yes, that is her motion.

Chair Gladziszewski asked the Manager to clarify the monetary aspects related to the Affordable Housing Fund Grants. Mr. Watt clarified that there was an appropriating amount of money. He said that the scoring committee did not recommend the Glory Hall project because the Planning Director determined that the building permit could not be issued under today's code. He also noted that the applicant has since appealed the director's decision so that is currently going through the appeal process, what that process looks like as well as what any process might look like if the Assembly wanted to pursue any code changes and/or adoptions of hazard maps. Mr. Watt explained that this project is likely to take some time whichever route it has to take.

Ms. Hale noted that even through the LHED Committee ran out of time to consider the matter in depth, the committee did vote to forward a motion to move an appropriation of $300,000 the Assembly or the COW for consideration. She said that she is happy they are discussing this matter at this time. She said she is worried that the scoring committee was doing something that it was not established for and that was to try to understand whether a permit would be approved and understanding hazard maps and she doesn't feel that was the right place for that to happen. Ms. Gladziszewski asked Ms. Hale to restate her motion.

MOTION by Ms. Hale that the Affordable Housing Scoring Committee look at the Glory Hall funding request again, given the new information, for example that an engineer can make a recommendation and demonstrate why a project could happen, and if the scoring committees recommends the Glory Hall project, that it come back to the Assembly for funding consideration.

Objection by Ms. Hughes-Skandijs.

Ms. Hughes-Skandijs asked re: process, with an active appeal before the Planning Commission, hypothetically if the PC says that the director has interpreted the code correctly, she is concerned that they may get caught up in a Bermuda Triangle with respect to code and appeal process. She said that she didn't think the scoring committee did anything wrong, in fact they ranked it as their highest selection, however, when they ran into director's decision, that then put it out of their power so they then said let's give that money to someone else. She said that she stands with Ms. Hale's sentiment but she doesn't think this motion will keep them out of the red tape zone since this matter is already headed into a different realm with the appeal process.

Mr. Bryson expressed his concern if the Assembly says no here. He said they have asked and begged the development community to build housing in Juneau. If they say no to this, how could they expect any developer to want to purchase the building and develop that building or any other in the downtown area? He said this is the lowest hanging fruit to develop housing downtown. He spoke in support of the motion.

Mr. Smith said that he sees it differently because the code is the code and the process is the process and it is currently going through the appeal process right now. He said that he would be in favor of going with option 4 as he doesn't see what sending it back to the scoring committee would do.

Mayor Weldon said that she agreed with Mr. Smith that number 4 seems the correct path forward and Ms. Hale's motion seems like an extra step that is not needed.

Ms. Triem said that she watched the LHED Committee meeting and that the Glory Hall attended that meeting and did an in person "appeal" to the committee. She said that she didn't think that was quite fair as none of the other entities who were denied had that same opportunity. She spoke in favor of Ms. Hale's motion so that it kept things fair and within a specific process for all the applicants.

Ms. Hale said that what she is trying to do is to preserve the process. Her concern is that the scoring committee is not the place for the CDD Director to make a determination that a permit could not be issued but that was what happened. She said that during that scoring committee meeting, the CDD Director let the committee know that in her reading of the code, a permit could not be issued. Ms. Hale said that her motion is an attempt to preserve the process since she felt that determination was not one that should have been made by that committee.

Ms. Woll said that she understands where Ms. Hale is coming from but also agreed with Mr. Smith that if she was on the scoring committee, she would feel they have all the same information they previously had and it feels like an unnecessary step.

Mayor Weldon removed her objection after hearing Ms. Hale's explanation.

Ms. Hughes-Skandijs said that the scoring committee is made up of one banker, one developer plus CDD staff and it makes sense to her for the CDD Director to provide her input. She said she would maintain her objection to the motion.

Mr. Watt noted that the reason there was CDD Director's decision is that the Glory Hall was trying to get the project queued up and did a pre-application meeting at which point the Department told the Glory Hall that they could not approve the permit. He said it was not part of the grant process but rather the pre-application process at which they were informed that the project could not be permitted.

Chair Gladziszewski, commenting on the motion, said that the scoring committee met and rated it high and this all got swirled up into a process conundrum. She asked for a roll call vote on the motion.

MOTION by Ms. Hale for Option #5 to refer the matter back to the scoring committee:
Yeas: Hale, Bryson, Triem, Weldon
Nays: Hughes-Skandijs, Smith, Woll, Gladziszewski
Motion failed 4:4

MOTION by Mr. Smith to recommend the Assembly adopt Option #4 which states:
"4. Provide requested funding, to be disbursed on the condition that the project obtains

necessary permits and approvals." and asked for unanimous consent. *Hearing no objection, the motion passed.*

The committee took a 10 minute break.

B. Dock Electrification Update

Mr. Watt said that the packet contained two memos, one from Port Engineering Erich Schaal and the other from Tourism Manager Alexandra Pierce. He said in looking at the big picture: They had applied for the RAISE grant but it was unsuccessful. They received a lot of feedback from the public who wanted to participate in making our application better. He said there is a new funding opportunity with another RAISE grant that just opened approximately 1 week ago. As such, there are several things he wanted to update the Assembly on. He said that he spoke with their federal lobbyist Ms. Katie Kachel and asked if Mr. Shermann from her office, who specialized in federal grants, could look over the grant application to make suggestions. Ms. Kachel has agreed to ask Mr. Shermann to assist with that. Mr. Watt said that he has had some communication with the JCOS Chair and he would like to see a way for those community advocates be able to participate more fully in the process. He said that in this case, it was 90 days and is less than 90 days right now. He said a number of people, including staff and many others participated in the USDOT debrief and lots of people took notes on what we could do better this next time. Mr. Watt said that as Ms. Pierce mentioned in her memo, they should also be realistic about their chances with respect to the RAISE grant. He said that in the debrief with Ms. Kachel, they need to do a better job answering the question "What transportation problem are they trying to solve with this solution?" He said that might be hard for the RAISE grant application.

Mr. Watt said that fortunately, there is another grant program for which the "Notice of Funding Opportunity" or "NoFO" was issued earlier that day for the "Port Infrastructure Development Program" or PIDP and CBJ got an assist from Senator Sullivan on this. He said that the PIDP is a program that funds ports across the country and the PIDP is looking to fund, among other things, to electrify ports. He said they would be doing two grant applications. He said that he will shepherd the grant process and spoke to the working relationships between the Docks & Harbors team and the CBJ Engineering/PW team and himself and hopes they can be successful. He said that in addition to those avenues, the Manager's recommendations for Marine Passenger Fees are currently out for public comment and it includes approximately $2.6 million for dock electrification project. He said it will go to the Assembly Finance Committee after that. He asked the Assembly to correct him if he is wrong but that his impression is that dock electrification is a priority for the community and we are not on a timeline where we are waiting to be successful for a grant. He said they will apply for grants and hope to be successful for the grants but they are also moving forward simultaneously with the project and finding funding sources where they can for it.

He said there is a readily available funding source through local and state passenger fee funds should they chose to use them in that manner. He said they will continue to pursue the grant funding opportunities and will keep the Assembly updated on all aspects of this project. He also noted that they will also need to address the procurement methods at a future date as the project moves forward as this may be a project that might not fit the usual procurement "low bid" scenario given the unique attributes and specialties involved with the project. Mr. Watt noted that Docks & Harbors Chair and staff were present and could answer any questions the Assembly may have.

Mayor Weldon thanked staff for their memos and agreed that Mr. Watt should be the one shepherding the grant applications. She was happy to hear about Senator Sullivan's involvement in assisting with the PIDP grant and said that she thought the additional updates could be given at PWFC meetings chaired by Mr. Bryson. She agreed with spending the Marine Passenger Fees (MPFs) on this project and reminded the public that they can comment on the City Manager's proposed list for spending MPFs. Mayor Weldon said that since D&H Board and staff were so well represented at this meeting, she would ask that they bring back a financial proposal to the Assembly Finance Committee for this project.

Ms. Hale said that in reading the memo in the packet on page 51 from Mr. Schaal, specifically the Conclusion which states:
Conclusion:
The study team is continuing to review, catalog and categorize the comments into a matrix to identify those comments which can be addressed within the study through corrections or additions, as well as larger policy questions that reside with the Assembly. As directed from the November 1st Committee of the Whole meeting, comment matrix and recorded edits to the study will be available as part of the study in the appendices.
Ms. Hale said that she is concerned that the study didn't do what the Assembly asked it to do and she would like to see a draft of the study again with it called out very clearly what the Assembly's request was before it is finalized so they can ensure it is producing what they asked for.

Ms. Hughes-Skandijs said that she was not able to attend the debrief from USDOT and heard that there was a lot of good information about ways they might improve it in the future. She asked for clarification as she heard that the city may have submitted multiple applications for the RAISE grant. Mr. Watt shook his head no, they did not have multiple applications submitted.

Mr. Uchytil stated that they did submit three RAISE grants in FY21. One was a grant for the design of the Fisherman's Terminal, one was for the small cruise ship infrastructure. He said that is the most anyone could apply for. During the debrief, someone had asked if submitting multiple applications may jeopardize the award of any one grant in particular and they were told no, that multiple applications do not cause any detrimental effect on any of the applications submitted. Ms. Gladziszewski asked Mr. Uchytil to clarify if CBJ was awarded any of those grants and Mr. Uchytil said we were not.

Ms. Triem shared her impressions of the debrief process and that Mr. Hill was very helpful and her main take away was that the RAISE grant did not seem the best fit for Dock electrification but she was also encouraged to hear that the PIDP grant may be another option and possibly a better fit.

Ms. Gladziszewski asked Mr. Uchytil if they intend to submit the other RAISE applications again in this grant cycle. Mr. Uchytil responded that Mr. Hill encouraged them to look at the NoFO exactly and to really tailor the application to the NoFO. He said they are always applying for a variety of grants and that the RAISE grant had over 800 applications with only 90 awarded. He went on to share some of the pointers from Mr. Howard Hill that had been shared during the debrief. He shared that there were over 270 applications rated above Juneau, not because Juneau had a less desirable project but because the RAISE grants were prioritizing safety projects over other types of projects that weren't being done for safety reasons.

Ms. Woll said that she appreciated the policy questions at the end of Mr. Schaal's memo and while she doesn't feel that they need to get in depth with them at this time, these will need some in depth discussions in the future. She wanted to be sure that is reflected in the final report and also in the grant applications. Those are some of the topics she wants to cover in the near future and to emphasize that they will be working on ways to cut down on greenhouse gases into the future.

Ms. Triem said that she agrees that the City Manager and the Docks & Harbors need to be steering the process but she also wants to be sure that JCOS has an active role in the process.

Staff then answered a number of questions from Assemblymembers about the study, the grant process, and all emphasized their desire for staff to be sure to include the public comments and JCOS involvement in the process going forward.

MOTION by Ms. Hale for the draft study to be brought back to the Assembly, once all the public comments have been categorized and included, along with the details of what the Assembly originally requested prior to the study being finalized.

Mr. Bryson said he would be willing to offer the Public Works and Facilities Committee as the location for the review of the study. Ms. Hale said she would be willing to amend her motion to have the requested information sent to the PWFC for review and consideration.

Hearing no objection, the motion passed as amended.

C. Eaglecrest Gondola Proposal
Ordinance 2021-08(b)(am)(Z) An Ordinance Appropriating up to $2,000,000 to the Manager for the Purchase of a Used Gondola for Eaglecrest Ski Area; Funding Provided by General Funds.

This ordinance was introduced at the February 7, 2022 Assembly meeting and referred to the Assembly Committee of the Whole (COW) with the requirement that it remain in the COW until they hear from the Eaglecrest Board and Eaglecrest Summer Task Force. There is placeholder on the February 28 Assembly agenda in case it is referred back to the Assembly for public hearing and Assembly action on February 28.

Manager Watt reported that the Assembly referred this ordinance back to the COW and noted that Eaglecrest Summer Operations Task Force (ESOTF) Chair Greg Smith held a meeting the previous Friday at which this was discussed. He said that the task force made a motion to forward the appropriation ordinance to the Assembly. He said that same evening, the Eaglecrest Board also met and sent the Assembly a supporting resolution that is in the COW red folder in support of the purchase of the gondola.

Chair Gladziszewski asked to bring Eaglecrest Chair Mike Satre and Eaglecrest Manager Dave Scanlan over into the Zoom panelists. She asked Mr. Satre to share the news from the board meeting with the COW.

Mr. Satre thanked the Assembly for inviting them to speak on this tonight and appreciated the consideration by the Assembly on this item. He said that rather than just recapping last Friday's board meeting, at their regular board meeting on February 3, he specifically did not put a resolution on that agenda to be voted upon as he wanted to set it up as a long discussion item for the members to discuss it at length. He said they took public comment before and after the discussion and in general the board has been working for the past few years to try to get to a revenue neutral position as a bare minimum. In order to do that, they had a summary of all the views, questions, comments, concerns that the board has had. They then took those to the Eaglecrest Summer Operations Task Force meeting last Friday followed up by final discussion and action on a resolution in support at the Special Eaglecrest Board meeting on Friday night. He said that the Eaglecrest Board supports the $2 million ordinance for the purchase of the used gondola. He said that there are number of other needs after that initial $2 million which will only get the gondola to the parking lot. He noted that Dave Scanlan has many different options they are looking at going forward that will not only utilize it to optimize their winter clientele but also provide a platform as the board and the Assembly find appropriate to pick from the menu of items possible for summer operations moving forward once the gondola is purchase. He said that everything starts with picking the conveyance.

Chair Gladziszewski thanked Mr. Satre for his synopsis. She said to be clear that the Assembly had asked for the Eaglecrest Board and the ESOTF to review this and she noted that the ESOTF did not provide any recommendations in support of the ordinance but rather they did forward the ordinance back to the Assembly COW. Mr. Smith said that was correct that they did not have a motion of support but rather they did pass a motion to forward the matter to the COW for action.

Chair Gladziszewski invited Mr. Scanlan to give his presentation. Mr. Scanlan provided a recap of why they are having this conversation. They have been working on ways to try to make themselves revenue neutral and also be able to fund the repair and replacements of their aging infrastructure while having a vital, sustainable ski area moving forward. He noted there are some large capital dollars that will need to be invested over the next 10 years and they will also need to invest in their increased wages to be able to recruit and retain staff. He went over their goals for the future to guard against the impacts of climate change while also being able to engage more non-skiing and snowboarding activities for residents and visitors alike.

Mr. Scanlan then spoke to the current market conditions related to ski areas around the world and the availability for used gondolas for the length and locations that would fit the Eaglecrest terrain. He said that in light of the market conditions, they can forecast out 2-3 years in advance what areas may have used gondolas available for sale and at this time they do not see any gondolas available that would fit Juneau's needs within the next 3 years. He spoke about the proposed Pulse Gondola purchase and how that would fit in with Juneau's needs, what the per-hour capacity would be and that this lift in its current configuration could fit in a number of different locations on the mountain. He said this would provide for redundancy on the mountain in the event the Ptarmigan chair lift were not operational.

Mr. Scanlan said that looking at the process moving forward if they secure the purchase of this lift, they would continue to look at all the financials and try to possibly build a financial package together that may include some of the 1% Sales Tax funds and/or a central treasury loan. He then provided a spreadsheet with the stripped down basic gondola only capital costs which includes a purchase price of $2 million with the project totaling $7.3 million. He then showed a spreadsheet with potential revenue forecasts baseline financial model and answered questions from Assemblymembers regarding those models.

Ms. Triem said this looks like something that is primarily being pursued for summer operations as opposed to winter operations and asked what outreach the Eaglecrest Board has done about this topic and summer operations to the North Douglas community specifically and the public in general to get their input on these plans.

Mr. Satre explained that they have included the topic of summer operations at wide variety of Eaglecrest Board meetings, their retreats, as well as Mr. Scanlan and board members addressing community groups and doing media spotlights on it over the course of the past few years even prior to the pandemic. He said that the key to this purchase does give them a variety of options moving forward. He said that if this is approved by the Assembly for purchase, they can look at all the various scenarios and select the best scenario that meets the needs of the Assembly and the Eaglecrest Board. He said that the financial model of what Mr. Scanlan was showing tonight was the bare bones base case rate. He noted that if they don't move forward with this purchase, they will need to be looking down the road at other options which may end up costing $15 million or more. He said whatever they do, they need to start investing capital in order to not have to pay more later in trying to put band aides on aging infrastructure.

Chair Gladziszewski said that what they are currently up against is trying to scramble and analyze a complex issue for something that government would generally take quite a bit longer to have to consider and decide upon. She said if they generally have a two year lead on things, why this is such a tight time crunch and if they could explain what the actual timelines involved truly are and why this is such as vital thing for us with this type of emergency.

Mr. Scanlan said that this particular gondola is that it is a fixed grip gondola which are rare in the ski industry and it has much lower operating and maintenance costs yet it is able to do what Eaglecrest needs it to do and it is rare for them to come up on the market very often. He said it is currently running right now and it is scheduled to be dismantled by April 1. He said there is another buyer that is very interested in it as well. He said that if they don't have another buyer in hand, it is likely that it will no longer be available. Mr. Satre said that Mr. Scanlan has given the ski market perspective. He said that from a board perspective, what has become apparent to him is that ski areas around the world fund their winter operations by making revenues in the summer time and with Eaglecrest's aging infrastructure he would like to try to get Eaglecrest to the point where it has the potential to be financially viable and possibly put funds back into the general fund to protect for future operations.

Chair Gladziszewski thanked them both and said she was primarily looking for the critical timing pieces related to this gondola in particular.

Mr. Bryson said that prior to the pandemic when they were looking at a new gondola, they were looking at something costing $22 million and they are looking at this gondola which would cost only $7.5 million if they fund this. He asked what costs they would be looking at if they don't invest in the infrastructure replacement at this point. Mr. Satre said that Mr. Bryson is correct that it would be a significant cost increase if they have to invest in new equipment to replace aging infrastructure in the future as compared to the price of this used gondola.

Ms. Woll said she was not on the Assembly when the summer operations plan was put together but she spent some time reading it and she appreciates all the work that went into it and the vision that it provided for the community. She said that she liked the idea of the gondola possibly replacing the Ptarmigan lift. She asked them to explain why they wouldn't use this a replacement for the Ptarmigan lift and if they don't replace it with this gondola, what the plans would be to replace that lift might be.

Mr. Satre said that is one of the options but it is also an option that this gondola would be used to expand additional opportunities that would then allow Eaglecrest to raise enough revenues to fund a Ptarmigan replacement on the new or used market built in the 1990s or 2000s rather than something built in the 1970s. Mr. Scanlan added that one of the values of having this gondola for the summer operations would allow for it to be placed up to the ridge top so the visitors would have that view down the channel from the top of the ridge. He said the one thing he has learned about are the unique weather conditions that Eaglecrest has to contend with over the course of the year and that the Ptarmigan's current location on the mountain is ideal for the nasty weather. He said that with the financial models, a brand new replacement of Ptarmigan it is looking at somewhere between $2.5-4.5 million depending on the type of model they might choose.

Ms. Triem said that during the public comment at the Eaglecrest Special Meeting they talked about vetting the gondola for the weather/wind analysis. She asked if that vetting process will be completed before the 2/28 timeframe. Mr. Scanlan said that is a process that will be taking a matter of months. They have some wind monitoring equipment that they can install on the ridge tops where they think they may wish to install the gondola. They would do the installation of those this summer and then gather the data over a series of months and can analyze it for specific areas and conditions and also compare it to the historical data they already have from current locations and conditions. Ms. Triem said that seems like it would be good data to collect and asked if it was equipment and/or location specific or if they might be able to install them and collect the data for future use/needs. Mr. Scanlan agreed that they could use that data towards a wide variety of uses.

Mayor Weldon said that Ms. Triem had some of the same questions as she did with respect to winds and adverse weather conditions and how it might handle the higher elevations at Eaglecrest. She asked if they are disassembling the gondola on April 1, why they are getting rid of it, and if it is 20 years old can we still get parts for it and if they do purchase it how will it be transported and where will it be stored?

Mr. Scanlan said it is being sold and dismantled because where it is currently serving needs more uphill capacity and it is being replaced by another gondola with twice the capacity since their business has been growing. He said that the company, ProAlpine, that is working with them on the purchase also sources parts for ski resorts. He said that the key time to do any refurbishments is when the lift is on the ground and that the company he is working with would provide for refurbishments prior to it being installed in Juneau. Once it has been refurbished, it is expected to have an additional 20 years before any major repairs or additional refurbishments would be needed. He said they would be intending to do all those things to refurbish it. He also noted that they would be building parking capacity for future expansion and those areas would be built out of their CIP projects and would be the storage area for the connexes that would be storing the gondola until its installation. Mr. Satre also addressed the Mayor's comments regarding the elevation and weather conditions and how Eaglecrest would compare to the ski area in the Alps vs. elsewhere in the skiing world.

Ms. Hughes-Skandijs asked Mr. Scanlan to clarify what the $2.5 million vs. the $4 million amounts related to when he provided replacement cost numbers for the Ptarmigan lift. Mr. Scanlan clarified that the $2.5 million was to replace it with a two seat chair lift whereas the $4 million would be to replace it with a four seat chair lift.

Ms. Hughes-Skandijs thanked him for those numbers. She said that obviously they will want to get as much life out of the Ptarmigan lift as possible but asked what Board's plan is with respect to replacing it. Mr. Satre said that Ptarmigan opened in 1975 and it wasn't new when it was installed. He said it is still going well but they are getting close to the end of its useful life barring major component replacement. It is getting close to 50 years of active service on the mountain. Ms. Hughes-Skandijs asked about the expected life span of the gondola. Mr. Scanlan said the bigger service maintenance would normally happen around the 20 years mark. The gondola they are looking at is a 1989 model and it will likely have a 40 year life span once it is installed in Juneau.

Mr. Smith asked if there was enough time for people to vet the pro forma that Mr. Scanlan provided. Mr. Scanlan said that JEDC and one other person may be looking at those financial models so they can get opinions from various sources.

Mayor Weldon said that Mr. Smith asked some of the same questions she was going to ask. She had some of her financial friends and connections at Hoonah Totem Corp. review the pro forma which Mr. Scanlan had sent out. She shared some of the concerns they brought up and she said that she would forward those for consideration. Other members had some similar concerns with respect to the pro forma.

Ms. Woll said that they just spent the past year on a rezone issue for North Douglas with concerns related to traffic and she asked if this would also need to be looked at with respect to traffic concerns as well and if that needed to be folded into the planning process. Mr. Watt said that going back to an earlier question about public participation and has the public been adequately appraised that Eaglecrest is wanting to engage in summer tourism operations. He said the answer to that is to some extent, yes, and to another extent, no. He said that there has been a lot of work done and a number of public meetings but there has not yet been a vote of the Assembly that yes they want to go this way. He said the he didn't think it would be a great surprise to the public if the Assembly pivots in that direction. He said that with respect to traffic, if they are looking at the numbers Mr. Scanlan provided, it would likely result in about a dozen tour buses or so per day. He said that CBJ has to go through its own permitting processes and Eaglecrest would not be any different. He did note that there is likely to be some issues related to operating a transport system on conservation lands and waters.

Mr. Satre spoke to the wide variety of reasons someone would take the gondola trip up to the top of the mountain and that this would be the beginning to a wide variety of opportunities.

Chair Gladziszewski asked about geotechnical studies and Mr. Scanlan said that would be part of what the $2 million is funding. Additional Q&A then took place with respect to the various options of locations, Ptarmigan replacement vs. alternative locations, and even about the septic and water scenarios to be able to accommodate the numbers of visitors they are forecasting up the mountain on a daily basis. Mr. Satre and Mr. Scanlan answered those questions and noted that many of the final decisions will all be based on whatever conveyance the Assembly chooses to fund whether that is the proposed gondola or some other conveyance. Mr. Scanlan said with respect to the sanitation facilities, they are equipped to handle 1200 person visitor day with their current systems.

MOTION by Ms. Hale that the COW forward Ordinance 2021-08(b)(am)(Z) to the next Assembly meeting on February 28 and set it for public hearing.

In speaking to her motion, Ms. Hale said that she thinks they have had an incredibly robust discussion on this but there is even a more robust conversation that is in store for them in the future. She said that they are not making the decision tonight and as previously mentioned additional work and review of the pro form to be done before that decision is ultimately made. Her recommendation is to allow for the additional two weeks for staff to have the time needed to pull together the additional information and to also open this up for public comments both at the February 28 meeting and to also give the public an opportunity to send in their comments in the meantime.

Mr. Smith said that if it would be helpful, he could schedule an additional meeting of the ESOTF in order to discuss any of those pro forma questions or other issues in advance of the February 28 meeting. Ms. Gladziszewski said that she was seeing nods all around to Mr. Smith's suggestion.

Additional discussion took place about the timing related to the February 28 meeting date.

Ms. Woll said that she objects to the motion. She said that while she supports the overall vision that they have laid out, she really wants the Assembly to do some strategic planning instead of chasing after each individual funding request that comes in front of the Assembly at every turn.

Mayor Weldon said that she is objecting for purposes of a comment. She said that is only agreeing to this to allow Eaglecrest more time to work on their pro forma. She said that while is only somewhat concerned about the initial $2 million request, she is much more concerned about the overall $7.5 or more price tag.

Ms. Triem said that she objected as she doesn't think the Assembly has settled the question of whether they support summer operations up at Eaglecrest or not. She said that from the board meeting on Friday, the Assembly is being asked to purchase this and then have the public process after that. She said that Mayor had formed the ESOTF to address this question but it only recently began meeting again. Ms. Triem commented that the Visitor Industry Task Force recommended an analysis of growth and impacts on North Douglas and she said that she doesn't feel that has been done yet either.

Ms. Hughes-Skandijs also said that she will object primarily from a process standpoint, while she doesn't think that $2 million is ever a small amount, from a process perspective it is jumping out of line in front of other projects and it still needs a lot more Assembly deliberation and public input before she could support it.

Mr. Smith spoke in support of the motion and said that he understands and hears the concerns regarding the public process. He said that if Eaglecrest is to ever have the option for self-sustaining revenues, summer operations will need to be part of it eventually. He thinks that the two weeks this motion provides will hopefully help provide some of the answers members are hoping for.

Mr. Bryson thanked everyone for their careful comments and the thoroughness in which they asked for the public process to be able to work. He said that initially he came at this from a purely business perspective and he appreciates hearing from his colleagues about taking the time necessary to involve the public and take all those public sector issues into consideration. He encouraged them that they are still business owners as owners of enterprises and they are having to compete directly in the private sector against businesses that may also want to buy this same gondola. He encourages members to support this project as it is one of the best ways they can turn Eaglecrest into a revenue neutral or possibly revenue positive enterprise.

ROLL CALL VOTE ON THE MOTION to forward Ordinance 2021-08(b)(am)(Z) to the Assembly.
Yeas: Hale, Smith, Woll, Bryson, Gladziszewski, Weldon
Nays: Hughes Skandijs, Triem
Motion passed 6 yeas, 2 nays.

The committee took a 10 minute break before moving to the last agenda topic.

D. Assembly Rules of Procedure
City Attorney Palmer provided a summary of the reasons behind the proposed changes to the Assembly Rules of Procedure and explained that a lengthy discussion was had at the Assembly Human Resources Committee meeting held the previous Monday. He also noted that the packet contained a memo from him in response to the request from the HRC and it also contained a memo from Deputy Manager Barr as well. He explained that the reason this topic and proposed changes were being brought forward was in response to incidents that have occurred involving sexual harassment by a few Zoom participants during some of CBJ's online public meetings. He said that neither this legislation nor any other measures have been implemented that would limit the ability for members of the public to interact with members of the Assembly either virtually or in person here at City Hall. He also noted that the last option mentioned in his memo to the HRC discusses the creation of a criminal prosecution ordinance. He has not yet drafted that at this time but can do so upon request by the Assembly.

Mr. Barr also explained that prior to the pandemic the issues that have come about were non-existent and to avoid the anonymous Zoom bombing incidents that have occurred, staff is recommending returning to an Assembly Rules of Procedure similar to those used pre-pandemic such that those individuals who wish to provide oral testimony be required to do so by signing up to testify in person at Assembly meetings. He noted that would not in any way eliminate the ongoing practice of individuals providing written comments to the Assembly or limit them from attending public meetings via Zoom, but rather it is strictly limiting the manner in which public oral testimony is taken during meetings. He did note that his February 11 memo goes through a list of Zoom options available and even those options they can look at should the Assembly need to go back to holding meetings via Zoom entirely for any reason.

Chair Gladziszewski asked Ms. Hughes-Skandijs for a recap of what they discussed and reviewed during the HRC meeting. Ms. Hughes-Skandijs noted that they did have Mr. Palmer's February 3 memo and the proposed resolution at the HRC meeting for discussion but that while Mr. Barr's February 11 memo was not part of their discussion the broader topic of Zoom options was part of their discussion. She said that the Resolution 2976COW that is in the COW packet is the same as what the HRC reviewed with two exceptions.

Mr. Palmer explained that the two changes found in Resolution 2976COW include the addition on line 23 "Special Order of Business" to the Assembly agenda to follow current practice and language added to lines 392-396 that requires anyone wishing to testify via Zoom to notify the Clerk's office in advance of the beginning of the meeting. He noted that this does not require anyone who wishes to testify in person to sign-up with the Clerk's office in advance of the meeting as there will still be a sign up sheet at the beginning of the meeting that they can complete at the back of the room for in person participation.

Chair Gladziszewski clarified with Ms. Hughes-Skandijs that the HRC did not discuss the language on line 393 about requiring testimony to be signed up "prior to the meeting." Ms. Hughes-Skandijs said that was correct.

Mr. Smith asked if there was some reason that remote participation was not allowed prior to the pandemic. Mr. Watt said that mainly it was tradition. Chair Gladziszewski said that unlike the legislature where people are participating on a statewide basis, the work of the Assembly and its bodies is of a local nature and they did not have anything in the rules allowing for testimony remotely at any of the CBJ meetings whether that was at the Assembly, the Planning Commission or any other CBJ public meeting.

Mayor Weldon asked in looking at the language in lines 392-396 if that allows for accommodation of Mr. Barr's memo of options 2 and 3 as that is what she would like to see implemented. She said that she likes the idea of requiring a Zoom account for people participating via Zoom or for those that do not have a Zoom account to register with the Clerks if they intend to participate via telephone. Mr. Palmer said that is correct and he can modify the language of the resolution to whatever extent the Assembly/COW may wish to make amendments.

Ms. Hale noted that prior to the pandemic, there had been at least one instance where a member of the public testified to the difficulty she had in trying to participate in the Assembly meetings in person due to her reliance on taking the bus and that it would be beneficial for situations such as that to provide an opportunity for the public to still be able to participate remotely.

Additional discussion took place about the draft of the Assembly Rules of Procedure in alignment with Mr. Barr's Zoom option memo. Mr. Palmer noted that this version of the rules were drafted prior to Mr. Barr's memo and if they COW gives direction that they want one or more of Mr. Barr's options to be codified within the rules, he would provide a revised draft of this resolution to them at a future meeting.

Mr. Bryson noted that what they are trying to do with this changes is to eliminate anonymous testimony being given during public meetings. He said that whatever way this gets codified, as long as they can come up with a reasonable way for an individual to register to provide testimony during their meetings they are satisfying the public participation criteria while still being able to hold the public accountable for their comments by knowing who it is that is providing the public testimony.

Chair Gladziszewski said she agrees with Mr. Bryson that they are trying to ensure public participation is not being taken anonymously and while she doesn't agree with requiring a 24 hours in advance sign up, she does think there needs to be some advance sign up requirement to be able to hold people accountable for their comments. She also noted that she has some objection to the 24 hour advance notice for public participation as written on lines 238 of the resolution and feels they should be able to continue the past practice of leaving that up to the call of the chair at the time of the meeting as sometimes things do move fast such as this Eaglecrest Gondola project has shown them.

Ms. Triem said that she specifically asked for the language to be drafted to specifically require sign up in advance of the meetings as she feels that the incidents that have occurred have seemed like crimes of opportunity. She also said that she would like to see the use of the Zoom tools that they do have available to them as outlined in Mr. Barr's memo. She said that she would like them discuss the topic of taking up public comments at committee meetings at a later meeting as that needs to be a separate conversation altogether.

Ms. Hale said she would be interested as they begin to revert back to in person meetings primarily, in looking at what Mr. Barr's memo is suggesting to look at limiting testimony to in person testimony except for those instances which would require ADA accommodations.

Ms. Triem said that she forgot to mention that she had researched what other communities in and outside of Alaska have done and how they have handled their testimony protocols and she noted that, of those, Juneau was the only community that she found within the state that did not currently require testifiers to sign up in advance of the meeting.

Additional discussion took place regarding the options in Mr. Barr's memo and how Zoom registration and authentication are managed.

Ms. Gladziszewski asked Mr. Smith to provide his insights on how public participation is done at the legislature through Legislative Information Offices (LIO).

Mayor Weldon said she would prefer to go with options 2 and 3. She would have someone register a Zoom account if they are going to participate via Zoom and if they couldn't do that, then they would need to register in advance with the Clerk to provide testimony via phone.

Ms. Triem asked Mr. Barr if a combo of options 2 and 3 as the Mayor suggests was technically possible. Mr. Barr said that it is technically possible albeit much more complex that selecting just option 2 or just option 3. He also added that we are planning on switching platforms from Facebook to YouTube with the Assembly meeting on February 28. He noted the primary reason for that switch is due to the fact that Facebook requires people to have a FB account and YouTube does not.

Ms. Triem said that she wants to see all CBJ meetings be held via the Zoom webinars to provide the same protections to all CBJ groups that these Assembly meetings have had. She asked what that would take and that if it was money, she wanted to make sure that money was made available. Mr. Barr said that it would be a monetary difference and he doesn't know the exact amount but that it would be in the thousands of dollars but not tens of thousands.

MOTION by Mayor Weldon to direct staff to come up with a combination of options 2 and 3 and asked for unanimous consent.

Ms. Hale objected due to the ease of being able to create an email address and then set up a Zoom account. Mayor Weldon said that nothing they do is fool proof and if the solution that they come up with continues to experience problems they can remove that as an option.

Ms. Gladziszewski asked about the security and telephonic participation. Mr. Barr said that if he were to give a security rating of the options in his memo, it would fall in as option 1 being the least secure, Zoom authentication being the next level, then telephone only with no advance registration being the next security level, and in person testimony only being the most secure.

Ms. Gladziszewski said she is hearing the telephone only option as a 2.5 and asked if that was a higher security level.

Ms. Triem asked for clarification on what the Mayor's motion would or wouldn't require with respect to pre-registration. Mr. Barr and Mayor Weldon both said that they may have to go back and relook at the pre-registration requirements for options 2 and 3.

The committee then said that in light of the late hour and the complexity of all these topics, they would like to give staff direction with high level policy decisions that they want to limit anonymous participation as much as possible and to leave the technical pieces to staff to sort out. Mayor Weldon said in light of that direction, she withdrew her motion.

Mr. Smith said he also wanted to be sure that members of the public can participate remotely via telephone and was not required to have a Zoom account to be able to participate.

Additional discussion took place regarding whether the Assembly wants to require advance sign-up. Mr. Bryson said he thinks they are trying to make this more complicated that it needs to be. He suggested the approach should be to require advance sign up if they intend to participate remotely or if they don't want to register in advance, they can show-up in person at the meeting and sign up right there and then. He said that eliminates the anonymity while still allowing every option for participation remotely and/or in person in their meetings.

MOTION by Mayor Weldon to move Resolution 2976COW1 to the Assembly and asked for unanimous consent.

Mr. Smith said that he doesn't know that he supports the language in the resolution about the pre-registration requirements.

Chair Gladziszewski said that if Mr. Smith wants to make an amendment, this would be the time to do so.

Ms. Triem said that unless Mr. Smith did make an amendment, she wanted to ensure that pre-registration was required for testimony purposes.

Chair Gladziszewski said that it is the “prior to the meeting” language that she has a problem with.

Additional discussion took place about the various methods by which the public can participate and also cautioned about the staffing burden.

AMENDMENT by Mr. Smith to remove the words “prior to the meeting” from line 393.

Mayor Weldon objected to the amendment.

Additional discussion took place regarding the various ways the public can participate and whether a phone number would be considered ‘anonymous’ or not.

Ms. Woll said she will be voting against the amendment but primarily because she would like to see what the Systemic Racism Review Committee and members of the public have to say about the resolution before she decides on this aspect of the resolution.

Mr. Barr said that he wanted to be sure the Assembly realizes that these rules also apply to all CBJ boards, committees and commissions in addition to the Assembly.

ROLL CALL VOTE on the Amendment
Yeas: Smith, Gladziszewski
Nays: Triem, Woll, Bryson, Hale, Hughes-Skandijs, Weldon
Motion failed 2 yeas, 6 nays.

Chair Gladziszewski asked for an objection to the main motion to move this resolution to the full Assembly. *Hearing no objection, the motion passed by unanimous consent.*

Mr. Palmer said that Ms. Woll comments highlighted a snafu to staff as the next meeting of the Systemic Racism Review Committee is scheduled for the following day and this resolution was not on that agenda. He said that if the body wants this to go to the SRRC, it will have to wait and it would not be ready to go to the Assembly at the 2/28 Assembly meeting.

Additional discussion took place on whether they felt it needed to go to the SRRC prior to the Assembly meeting or not. It was the consensus of the body that they did not wish to wait until March to pass the resolution, however, they also felt that if the SRRC did have a chance to review it once it was passed and they had any concerns, they could bring those back to the Assembly to be addressed.

MOTION by Mayor Weldon to direct the City Attorney to draft a criminal ordinance for disruptive behavior which would include sexual harassment and pornography.

Ms. Hale said she objects to the motion as she worries about the heavy handedness of this. She said that they discussed this at the HRC and the individuals would have to be provided warning about their actions before prosecution could take place. She said the Assembly has taken some good actions tonight by forwarding this resolution onto the Assembly for action.

Mr. Smith asked about the first amendment thresholds.

Chair Gladziszewski said that for now, the motion is ask the attorney to bring back legislation to be looked at and debated at a future meeting.

Mr. Palmer said that he has begun drafting an ordinance and will be prepared to bring something back to the Assembly. He has case law from the 9th Circuit Court of Appeals that comes into play with this. He also answered questions from Assemblymembers and this will likely end up needing to a much more in depth conversation once the ordinance is brought back to the body.

ROLL CALL VOTE on the Motion directing the Attorney to draft a criminal ordinance
Yeas: Weldon, Triem, Woll, Bryson, Hughes-Skandijs, Gladziszewski
Nays: Smith, Hale,
Motion passed 6 yeas, 2 nays.

VI. SUPPLEMENTAL MATERIALS

A. RED FOLDER-Eaglecrest Board Resolution Supporting Ordinance 2021-08(b)(am)(Z)
B. RED FOLDER-Hazard Mapping Map Synopsis
C. Supplemental Materials-re Gondola at Eaglecrest

Chair Gladziszewski asked if there was anything else to come before the body.

Mr. Palmer said that he had earlier provided incorrect information to the LHED Committee about only needing 2 votes for a motion to pass, it in fact does require 3 votes to pass a motion at a four member body.

Mr. Palmer also noted that when he was referring to the Oso, WA case earlier in the meeting, it was the State of WA and not the Oso County that was held liable in the lawsuit dealing with the 44 lives that were lost due to the landslide in that area. He just wanted to provide that correction to the parties of involved in the risk case that he previously referenced.

VII. ADJOURNMENT

There being no further business to come before the Assembly, the Committee of the Whole meeting was adjourned at 10:15p.m.

ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
DRAFT Meeting Minutes – March 7, 2022

I. CALL TO ORDER

The Assembly Committee of the Whole Meeting, held in the Assembly Chambers and broadcasted virtually via Zoom following the Special Assembly meeting, was called to order by Deputy Mayor Gladziszewski at 8:30p.m.

II. LAND ACKNOLWEDGMENT

Mr. Smith provided the following land acknowledgment: 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 a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

III. ROLL CALL

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

Assemblymembers Absent: None

Staff Present: Deputy City Manager Robert Barr, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Deputy Clerk Diane Cathcart, Assistant City Attorney Sherri Layne

III. APPROVAL OF AGENDA

IV. AGENDA TOPICS

A. New City Hall Update

Katie Koester provided a presentation similar to what had been covered earlier at the Assembly Public Works and Facilities Committee (PWFC) meeting earlier in the day. She was also joined by Sean Boily of NorthWind Architects and Meilani Schijvens of Rain Coast Data who provided an overview of their work and survey that had been conducted regarding this project. Ms. Koester cautioned about sticker shock and also spoke to the deferred maintenance numbers. She noted that they are mainly wanting to cover this topic to be able to come up with a decision from the Assembly so they know whether to keep moving this forward on a schedule to be placed on the ballot for the October 2022 Municipal Election or not.

Ms. Koester explained the survey that had been done and shared the survey results and she informed the committee about the preferred site selection process. She said that the PWFC had held three meetings at which they came up with the top four sites and then eliminated two of those so they are now down to two finalists.

Ms. Triem asked if the estimated amounts for the deferred maintenance underwent the same inflation upgrades as the other options.

Ms. Koester said staff did estimates vs. those for the other locations done by the experts.

Ms. Koester explained the pros and cons of utilizing the former Walmart building.
Pros: There is a lot of public support for reusing the facility; it is a central location between two large population centers (Downtown/Douglas and Valley/Auke Bay); there is an opportunity for additional uses; and the location features a large parking lot.

Cons: The building has been vacant for years, the condition of it is unknown; it would be difficult to bring it into LEED certification standards; the land is not for sale and would cost $271,000/year for fifty years; it would be challenging to bring the building up to code; it is an ideal location for a large retail development; and the size is two times larger than what is needed for the project.

Sean Boily and Meilani Schijvens gave an in depth presentation of the survey and the two final options that came out of the PWFC along with the estimated costs for those proposed projects. Ms. Schijvens suggested they may want to do a parking study in the downtown area depending on what decision they wanted to go with. Mr. Boily also spoke to the significant elements of cost that would be associated with building at the DTC and it would actually be more expensive to build on top of that due to some of the specialized equipment and needs that would be addressed if they were to choose that option.

The provided the following CBJ Cost estimates for a New City Hall: Construction would fall between $38 million to $43 million, they would need to look into financing costs and the cost for operating a larger building as well as the associated maintenance costs of a larger building. They noted that a breakeven year for DTC (Downtown Transit Center) would be after 61 years and at the 450 Whittier location, a new City Hall would break even within 52 years.

They answered questions from Assemblymembers related to the economic modeling, the interest rates and increasing construction costs looked at producer price index national numbers for a new office building. They looked at 2018 to 2022 and saw a 30.3% cost increase with an estimated 5% construction cost increase moving forward.

Parking Options

Ms. Koester listed four possible parking options for a new City Hall:

1. Do nothing as first option
2. Build DTC/City Hall $5M
3. 450 Whittier location with underground parking
4. 450 Whitter location with two levels of parking at DTC

Additional considerations for parking for the Auke Village District included a study from 2014, and that Juneau has lost approximately 741 state jobs although they are not sure how many of those jobs are in the downtown area.

‘Wáahlaal Gíidaak asked if there was any consideration given for contaminates such as what Southeast Alaska ran into when they did their project.

Mr. Boily looked at what was done with the State Museum. There was a flat tidal fill area and there are potentials for unknowns. They did use some of the drivers based on what was done at the State Museum.

‘Wáahlaal Gíidaak was there consideration for what CBJ obligations might be in disposing of this building and what CBJ would be responsible for.

Mr. Watt if you are a polluter, you are responsible cradle to grave and he noted that there is low risk for this building for external hazmat cleanup. He said that there is asbestos in the building but you can sell a building with asbestos and lead paint without further obligation as long as you properly disclose all that.

Ms. Schijvens spoke to the additional considerations this project presents which includes freeing up the floors at the Marine View that could potentially be converted to housing. It is about a quarter of the cost to build a new building to retrofit it for apartments. She did say that it is not a sure thing that that space would be converted to housing but it would be a potential gain for the community in the housing front.

Mr. Bryson asked Ms. Schijvens if the 24 housing units would be only at Marine View, or if they had considered retrofitting apartments at other locations.

Ms. Schijvens clarified that the 24 housing units would only be located in the Marine View building, and they did not consider any other locations as they are all designated office space buildings.

They also did a survey of CBJ workers who work downtown which translates to an approximate $706,000 economic impact in the downtown area by CBJ staff.

Mr. Boily mentioned that the estimates and construction costs had grown quite a bit since they began looking at this back in 2018. They developed the cost details in coordination with CBJ staff and settled on the $34.5 million for the proposed project. He also noted that they have seen an increase in staggering construction costs the last few years. He said that when they started this process, the DTC was looked at as a lower cost project, however, there is fairly substantial cost in prepping the existing structure to provide for the new additions. Another aspect of that is when you take an insulated box and you have the open areas sprinklers, etc… factor into the expense and complexity in adding to an existing building. He explained that it is not a good skin core and it is nearly seven stories up in the air and will require some special equipment to do the work.

When they got into the nuts and bolts, they realized it was going to be more expensive than they initially forecasted (as compared to similar structures and costs in Anchorage).

Ms. Hale asked if there is going to be some point in the future that they would lose the option to build on the top of the DTC. Mr. Boily said that Ms. Schijvens spoke to that in her presentation. There is still the opportunity to build two or three more parking levels. He shared that he appreciated Ms. Schijvens' suggestion to conduct a parking study. If they made the decision to put the project downtown at the 450 Whittier location, the question of parking is still there.

Ms. Koester asked the Assembly if they needed any additional information prior to their next COW meeting on April 11.

Mr. Bryson said that he had a phone call from the owner of the State of Alaska Department of Fish & Game building asking if that building may be up for consideration.

Ms. Gladziszewski spoke to the frequency and trend of state positions now working remotely and asked Ms. Koester if they had analyzed any available State-owned office buildings as possible location options for the new City Hall.

Ms. Koester said they did look at some State facilities such as the Department of Natural Resources building, and others but did not do a comprehensive analysis of State offices in Juneau.

Mr. Watt said that he did not know where state employment is heading but it is going down. It would not surprise him if the State moved out of leased spaces into known locations. He expects the kinds of calls that Mr. Bryson received to continually happen with new ideas throughout the process. He said they will engage the owner of that building and see if there is a fit or analysis. Mr. Watt noted that Tlingit & Haida Central Council President Peterson was quicker than we were in purchasing the DNR Building. He said that with respect to Telephone Hill, CBJ continues to birddog the state about that as some of the properties that the State might be amenable to possibly disposing of and that CBJ should have first chance at that property due to past agreements. He said they have been going through a very slow moving DNR process and that none of us are happy with the cost estimates. They are what the cost estimators see today and those numbers apply to both new build projects and renovations. He said that ultimately, the long range view is that we are spending a lot of money on rent per year and they will have to do something about City Hall even if it is just deferred maintenance on the current facility.

Ms. Gladziszewski said that the state for sure has told teleworkers that they will eventually be losing their office space if they aren't used. She said those are ongoing things and it is changing more rapidly than normal and positions are moving everywhere all across the state. She would like to know some more about that at the next time they meet.

Mr. Smith asked if there was a sense that if the Assembly did not pursue something new, what they might do and are they ready to take on the costs for deferred maintenance.

Ms. Woll was on the fence at the PWFC meeting was about recommending the 450 Whittier location or not, and took pause due to parking issues. She said there is a lot of uncertainty and wants to learn more about downtown parking. Will this make parking better or worse? She asked if that is something they can get more info on prior to making the final decision on this topic or would that involve a big study that we would not be enough time for.

Ms. Koester said that they can try to get at the question as to how the parking is impacted overall in downtown Juneau in the time allocated prior to making the City Hall decision. Mr. Watt said one potential conceptual option that has been discussed for a number of years is the State Office Building Parking. That facility could potentially serve the Auke Village as well as other entities in the area and may be something worth considering.

Mr. Bryson while he felt obligated to inform them of the phone call about the State Office Building, he was not in favor of taking over State office facilities. He explained that there is a bill to move the Capital out of Juneau currently in the legislature. He strongly supported a new City Hall, saying that they were in need of a building that would still be here 100 years from now. He spoke to the Assembly's responsibility to City Hall, and their collective commitment to ensuring Juneau's future as the Capital City of Alaska.

Ms. Hale said she has a slightly different take but agrees along same lines as Mr. Bryson and have seen some great city halls in other communities. She likes the idea of the 450 Whittier location, it feels more accessible than one on top of the parking garage.

Mayor Weldon shared Mr. Bryson and Ms. Hale's viewpoints, but said that she also had a different perspective. This building has served its time as City Hall. She said they have been talking about this topic since her first year on the Assembly and it is now coming up on five years of having conversations about this topic. She talked about the challenges of the current city hall. Not sure which option she likes better. She said is leaning more towards the DTC location as it is more central but in looking at the Whittier location, it is in a rapidly changing Auke Village district. She's not sure if they want private entities duking it out over housing and hotels etc… but she agrees with Mr. Bryson that we not take over the offices from the state.

Ms. Triem asked what the purpose of this item being tonight's agenda was. Ms. Gladziszewski said it was to determine what additional information wanted to be given so they can make a decision at the next COW meeting.

Ms. Triem thanked Ms. Koester for her update and all the work she has done to shepherd this through the PWFC. She encouraged all Assemblymembers to review all of the PWFC agenda packets, as they featured a lot of relevant information.

Mr. Smith said that last year Mr. Rogers' had provided a financial memo for all the various options for financing a new city hall and he asked if the next time this comes back if they could receive an updated memo from Mr. Rogers with those numbers in terms of options for bonds and general investments.

Ms. Hughes-Skandijs when first was appointed to the Assembly they were talking about the parking garage option. She asked if Ms. Schijvens had shared her cost analysis and if they may be able to share with the Assembly. Ms. Koester said that all that data and methodology has been posted onto the project website and link to that is on the front page of the presentation in this COW packet but she will also send the Assembly the link via email as well.

‘Wáahlaal Gíidaak asked Mr. Watt for clarification as to the location he was talking about with the State of AK Office building. Mr. Watt explained that there are actually two separate parking garages located across from Bullwinkle’s Pizza Parlor and also in the corner by Fireweed Place. She also said that she would like to hear about that potential option and what the potential might be for collaboration with the State, local tribes, and the City. Mayor Weldon said that she is on the Capitol Committee and the last time they discussed this, the state was not interested in discussing those options or willing to come to the table. She did say that maybe with tribal involvement, they may be willing to reconsider and it was worth looking into but she didn’t hold out a lot of hope for those options.

Ms. Gladziszewski said that she may be the only one but at this time she was not in favor of putting a $43 million question on the ballot for a new City Hall at least until they’ve looked more closely at the various state office locations that are rapidly becoming vacant. She said that the building she is currently working in is only half full and she had hoped they may have been able to buy the DNR building before President Peterson beat them to it. She wanted more information on all of the available office space options. She questioned whether the City needed a new office building. She said that PWFC has done a great job in coming up with the better of two possible options but she is not willing to put that on the ballot at this point.

V. ADJOURNMENT

There being no further business to come before the Assembly, the Committee of the Whole meeting was adjourned at 9:45p.m.

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

HOUSING PRESSURE
JUNE 6, 2022

(907) 586-0715
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155 S. Seward Street • Juneau, AK 99801

DATE: June 6, 2022
TO: Chair Maria Gladziszewski, Committee of the Whole
BY: Scott Ciambor, CDD Planning Manager
Re: Housing Pressure

Introduction: There is an increasing level of concern about the availability and affordability of housing in the community.

The City and Borough of Juneau has roughly 14,000 units, estimated to include 8400 single-family homes and 5200 condo/multi-family options.

Recent changes in the use of the housing stock that have highlighted the most concern include:

- a rise in **short-term rental use**;
- increased demand for **employer assisted housing**;
- decreasing options for independent workforce housing (rental, for purchase);
- changes in work from home opportunities and millennial entry into the housing market that is increasing demand;
- large event use of the housing stock (IRONMAN); and
- high cost/availability of rentals impacting vulnerable, low-income households who are being displaced.

Key Terms:

- ***Short-Term Rentals***
- Employer Assisted Housing
- Workforce Housing
- Work From Home Opportunities/Zoom Homes
- Second Homes/Part-Time or Seasonal Use
- Large Event Housing
- Affordable Housing

CBJ Plans Referenced:

- Housing Action Plan: **(Appendix A)**
- Juneau Economic Development Plan

Background

Short-Term Rentals
There has been increasing conversation about addressing the impact of Short-Term Rentals including adding to the medium-term priority list at the last Housing Action Update at the 9.20.2021 LHED Committee meeting.

Communities throughout the world have struggled with how to adapt to the changes in the use of local housing stocks and the wide-reaching impacts of STR's. STR's, especially in volume, affect all of the areas below.

Housing Supply	Public Health and Welfare	Economic Interest
Housing Affordability	Nuisance Issues	Safety
Workforce Housing	Ease or add to pressure of tourism	Coexistence with Hotels/B&B's
Seasonal Housing	Quality of life	Enforcement
Neighborhoods	Commercial Short-Term Rentals	Community Reputation

Data: What do we know about Short-Term Rental use in Juneau?

The most reliable information available locally on Short-Term Rentals is through the registration and payment of sales tax and bed tax listed in the table below. There are shortcoming with this information, including:

- Registration is by business name and difficult to determine if operator/owner has multiple units being used as short-term rentals;
- Registration is largely self-report, meaning there are likely higher numbers operating in the community;
- Monitoring for non-payers is complex and time-consuming with the numerous STR platforms (4 main; more than 50 other sites) and trying to match business names and properties.

Nonetheless, Sales Tax data shows there is a recognizable increase of STR's operating in the community.

	2018	2019	2020	2021	*2022
# of Registered Hotels	19	19	19	19	19
# of Registered short-term rentals	147	159	154	157	170
STX from Hotels	$ 1,290,097.12	$ 1,352,949.61	$ 605,915.36	$ 1,255,873.86	
BTX from Hotels	$ 1,420,756.35	$ 1,493,690.54	$ 822,590.25	$ 1,828,147.21	
STX from STRs	$ 162,978.79	$ 182,727.40	$ 99,649.22	$ 207,552.96	
BTX from STRs	$ 164,037.92	$ 184,879.64	$ 98,297.35	$ 273,419.36	
AVG STX per STR	$ 1,108.70	$ 1,156.50	$ 655.59	$ 1,392.97	
AVG BTX per STR	$ 1,163.39	$ 1,177.58	$ 650.98	$ 1,835.03	

*2022 registrations through 4/8/22

There have been two other attempts to gauge impact of STR's on the local housing stock.

- The Upstairs Downtown Housing Inventory Story Map (2019) identified 37 units in the study area as Short-Term Rentals – showing a concentration in a downtown center.
- The Lands Committee discussed the Accessory Apartment Incentive Grant program during its August 30, 2021 meeting that analyzed grantees use of apartments as STR's. At the time, 8 of 27 units receiving grants had been used as STR. (4 units were used consistently)

Companies That Monitor Short-Term Rentals

As the STR industry changes and the need for data has increased, communities have utilized private companies that specialize in in monitoring and compliance services. Services include:

- Short-Term Rental Identification, Monitoring, and Compliance
- Address Identification, de-duplication
- Compliance Monitoring
- Help with ease of use for filing, customer service
- Software and payment services

CBJ staff have had contact with a number of companies recently, including Hamari (Seward, Kenai Peninsula Borough), GovOS, Granicus, and MuniCity. There are others.

Regulation of Short-Term Rentals

Communities have a wide range of flexibility to address Short-Term Rentals typically designed to the overall impacts of STR's in the community.

Tools

- Register STR's
- Register and tax
- Ban (full/partial)/moratorium of STR's
- Cap the total number of short-term rentals
- Allow short-term rentals at certain points of the year
- Limit types of short-term rental (No entire houses, only allowable in certain areas, number of nights limited, require homeowner on site)
- Other restrictions: (require as part of primary residence, make ineligible for incentives, etc.)

Any of these steps would require a discussion on enforcement and compliance (fees/fines, monitoring, staffing, and software). Cost of these services can be $12,000-$20,000/year depending on level of service.

Appendix B: Regulation Strategies for Short-Term Rentals includes a handful of STR regulations and key highlights. Communities that are well-frequented tourist destinations have been regulating STR's for decades, and in the case of the City and County of Honolulu are establishing a third round of regulations of STR use and the impacts have evolved.

Status of Short-Term Rental Regulation in Juneau

State of Alaska

- Requires a business license per AS 43.70.020(a)
- Check with local government for any addition licensing requirements, restrictions per local ordinances, and/or sales tax requirements

City and Borough of Juneau:

- Sales tax office: Short-Term Rental operators to register and pay taxes directly or through platforms.
- Land use code: Short-Term Rental not defined in Title 49, currently no monitoring or compliance activities surrounding these activities.
- CBJ Downtown Tax Abatement Incentive: Short-Term Rental defined as a dwelling with a lease less than 30 days. Use of the 12-year tax abatement contingent on units not be used as STR's.

Recommendation

- Continue to pursue aggressively Housing Action Plan strategies to increase supply to the housing stock;
- Appropriate funding to hire short-term rental monitoring services;
- Prioritize updates to the Land Use Code Table of Permissible Uses to better define classifications of housing, including Short-Term Rentals.

Appendix A: Housing Action Plan Items

2016 Housing Action Plan: The Housing Action Plan calls for a comprehensive community approach to address Juneau's long-standing housing problem and provides 64 potential strategies to encourage housing development, encouraging the CBJ to utilize its resources. Listed below are relevant action items to discussion on short-term rentals and impact on housing stock.

Chapter	Page No.	Item	Summary
N/A	N/A	N/A	**Short-Term Rentals** The Housing Action Plan was developed as the short-term rental industry and STR platforms were starting and not addressed in the Plan.
4	37	Production Targets	**Employer Assisted Housing** Solicit feedback from employers: • To learn how much is already being spent on worker housing and related services • Determine how these units are used in offseason • To learn about types of housing and housing related services are used in the offseason • To determine growth plans and issues affecting workforce • Determine Maximize/leverage employer provided housing (coordinate business community efforts around housing). • Evaluate if employer-owned housing would be more cost effective if it were owned by a private housing company or non-profit developer. Work with local employers to develop down payment assistance programs (funded with business and housing fund money) to encourage workers to buy in Juneau.
5	42	Preservation Targets	**Monitor Rental Property** Create a CBJ requirement that all rental property: • Be registered with the CBJ and each property list a registered agent/manager/24-7 reachable point of contact for every unit in rental inventory • Be subject to periodic inspection (period can vary; but creating an inspection regimen parallel to Section 8 is recommended) • Create a provision where owners passing inspections are subsequently eligible for property upgrade funding assistance.

Appendix B: Regulation Strategies for Short-Term Rentals

State, County, or Municipality	Key Highlights
Wasilla, Alaska	**An Ordinance Of The Wasilla City Council Amending Title 16 Of The Wasilla Municipal Code By Adopting Chapter 16.26, Short-Term Rentals (March 23, 2020)** • Establish short-term rental permit; valid for one-year • Application fee $250, Use permit $500 • Penalty of 5X regular permit for advertising before being permitted • Burden on applicant to prove compliance (site plan, local contact info, business license, etc) • Property owner is permanent resident of Alaska; w/ local contact information • Inspection • Rental Agreement in place between parties

Walla Walla, Washington	**Short-Term Rental**
	• "Short-term rental" means temporary lodging for charge or fee at a dwelling for a period of less than one month, or less than 30 continuous days if the rental period does not begin on the first day of the month.
	  ○ Type 1: either (1) rooms are rented and the owner is personally present at the dwelling during the rental period, or (2) the entire dwelling is rented no more than 90 total days in a calendar year;
	  ○ Type 2: means short-term rental at a dwelling that is not the owner's principal residence
	• Annual permit $150; $65 re-inspect fee

Deschutes County, Oregon	**Deschutes County Transient Room Tax** • Room Tax Collection Ordinance in 2019 • Short-Term = Any occupancy or right to occupancy by a person other than the owner for 30 consecutive calendar days or less • Switched to hired database, monitoring service to increase efficiency, find non-payers • Data to be shared with community development department to understand housing impact
North Lake Tahoe/East Placer County	**Short-Term Rental Regulations (March 31, 2022)** • 3900 short-term cap based on estimate based on estimate of existing short-term rentals (21% of housing stock) • Cap adaptively managed (100 new hotel units could decrease the cap to 3800) • Limit of one short-term rental per property to preserve multifamily apartments
City and County of Honolulu	**City and County of Honolulu Short-Term Rentals (new rules in effect October 23, 2022)** • Short-term rentals (STRs) have been regulated in Honolulu since 1989 • STRs are also known as vacation rentals, and are lodgings that provide guest accommodation for less than 90 days. As of October 23, 2022: • Long-term rentals (consecutive 90 days or more) may be extended month to month • Existing owners of units with 30-day leases may continue to rent them, but on October 23, 2022, all such rentals must either cease renting, convert to long-term 90 days or more leases, or register to become new legal transient accommodations • Transient occupants must park on-site and not on public streets in the vicinity of the STR

Housing Pressure

- a rise in **short-term rental use**
- increased demand for employer assisted housing;
- decreasing options for independent workforce housing (rental, for purchase);
- changes in work from home opportunities and millennial entry into the housing market that is increasing demand;
- large event use of the housing stock (IRONMAN);
- high cost/availability of rentals impacting vulnerable, low-income households who are being displaced

Impacts of Short-Term Rentals

Housing Supply	Public Health and Welfare	Economic Interest
Housing Affordability	Nuisance Issues	Safety
Workforce Housing	Ease or add to pressure of tourism	Coexistence with Hotels/B&B's
Seasonal Housing	Quality of life	Enforcement
Neighborhoods	Commercial Short-Term Rentals	Community Reputation

Short-Term Rentals in Juneau

Sales Tax and Bed Tax Registration

- STR Registration in 2018 = 147; 2022 = 170 through 4/8/22
- Self-report data and hard to determine if owner/operator has multiple units
- STR platforms change frequently; hard to track

Local Regulations

- State of Alaska requires a business license and refers to local government for additional guidance
- Sales Tax/Bed Tax: Register and pay taxes
- Land Use Code: Short-Term Rental not defined in Title 49; currently no monitoring or compliance activities;
- Downtown Tax Abatement: Use of 12-year tax abatement contingent on not using as short-tern rental, defined as dwelling with a lease of less than 30 days.

Tools to Address STR's

- Register STR's or Register and tax
- Ban (full/partial)/moratorium of STR's
- Cap the total number of short-term rentals
- Allow short-term rentals at certain points of the year
- Limit types of short-term rental (No entire houses, only allowable in certain areas, number of nights limited, require homeowner on site)
- Other restrictions: require as part of primary residence, make ineligible for incentives.

Appendix B: Examples of regulations in other communities

Companies That Monitor STR's

Services Provided

- Short-Term Rental Identification, Monitoring, and Compliance
- Address Identification, de-duplication
- Compliance Monitoring
- Help with ease of use for filing, customer service
- Software and payment services
- Consistent Data

CBJ staff have had contact with a number of companies recently, including Hamari (Seward, Kenai Peninsula Borough), GovOS, Granicus, and MuniCity.

Cost: $12K - $20K/year depending on level of service

STR's in Housing Action Plan Priorities

Short	Activity	Status
	Implement downtown tax abatement	Complete
	Address downtown parking	Complete
	Implement Juneau Affordable Housing Fund	Complete
	Pederson Hill Land disposal strategy	Phase I complete
	Evaluate and address barriers to homeownership	Ongoing
	Accessory Apartment Incentive Grant Program Review	Complete
	Riverview Senior Assisted Living	Under Construction
Medium	Develop Upstairs Downstairs loan program for rehabilitation and code compliance upgrades	Ongoing
	Strategies for short-term rental units/impact on housing stock	Current
	Small Area/Neighborhood Plans: Blueprint Downtown & Downtown Douglas West Juneau Plan	In Process
	Housing Data and Housing Action Plan Updates	Ongoing
New	Housing Development Taskforce Recommendations	
	Pre-Application Meeting Ordinance	In Review

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

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www.juneau.org/CDD
155 S. Seward Street • Juneau, AK 99801

DATE: June 6, 2022
TO: Chair Maria Gladziszewski, Committee of the Whole
BY: Scott Ciambor, CDD Planning Manager
Re: Housing Action Plan Update

Housing Action Plan

The Housing Action Plan was adopted by resolution on December 19, 2016. (Juneau Housing Action Plan – Final). The Housing Action Plan includes 66 strategies and lists an overall goal of developing 1,980 newly constructed units for all-housing types by the 30-year mark.

The Assembly has prioritized strategies in the Plan, most recently at the September 9, 2021 LHED Committee meeting. Below is an update to those HAP priorities:

Housing Action Plan Priorities 09.2021		
Short	Activity	Status
	Implement downtown tax abatement	Complete
	Address downtown parking	Complete
	Implement Juneau Affordable Housing Fund	Complete
	Pederson Hill Land disposal strategy	Phase I complete
	Evaluate and address barriers to homeownership	Ongoing
	Accessory Apartment Incentive Grant Program Review	Complete
	Riverview Senior Assisted Living	Under Construction
Medium	Develop Upstairs Downstairs loan program for rehabilitation and code compliance upgrades	Ongoing
	Strategies for short-term rental units/impact on housing stock	Current
	Small Area/Neighborhood Plans: Blueprint Downtown & Downtown Douglas West Juneau Plan	In Process
	Housing Data and Housing Action Plan Updates	Ongoing
New	Housing Development Taskforce Recommendations	
	Pre-Application Meeting Ordinance	In Review

Appendix A summarizes additional CBJ Housing Activity by listing by year 1) funding for housing, 2) land assets used for housing, and 3) planning, zoning, and policy changes adopted.

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City and Borough of Juneau Housing Programs Update

CBJ Accessory Apartment Grant Incentive Program

In February 2018, the CBJ Assembly appropriated $480,000 to the CBJ Accessory Apartment Incentive Grant Program. This incentive program provides $6,000 in grant funding for homeowners that add an accessory apartment to their home. An analysis of the program was provided in a memo to the August 30, 2021 Lands, Housing, and Economic Development Committee. *There are 6 approved applications pending.*

CBJ Accessory Apartment Incentive Grant	# of grants	CBJ Funding
2022	5	$30,000
2021	2	$12,000
2020 Covid delays, many extensions	10	$60,000
2019	7	$42,000
2018	6	$36,000
2017 Program Review & Additional Funding	0	$0
2016 Pilot Program	12	$72,000
Program Totals	42	$252,000

Juneau Affordable Housing Fund

The Juneau Affordable Housing Fund Round One competition took place in October 2021. There were six applications fielded --- with awards made to four projects totaling $750,000. One additional application by Gastineau Lodges Apartments for a predevelopment loan has been submitted to CBJ with agreements and collateral documentation under review.

Juneau Affordable Housing Fund

Project Name	Project Location	Funding Use	Approved Award	Housing Types
2022				
AWARE	201 Cordova	Construction	$150,000	SRO's
Glory Hall	127 S.Franklin	Construction	$350,000	SRO's, 1-bedroom
St. Vincent's - Channelview	317 Gastineau Ave.	Rehabilitation	$50,000	multi-family apartments
St. Vincent's - Teal Street	8617 Teal Street	Rehabilitation	$100,000	shelter/multi-family
2017				
Mobile Home Downpayment Assistance Program	Borough-wide	up to $10,000 loans	$100,000	Manufactured Homes
Accessory Apartment Incentive Grant Program (Renewal for 2017-23)	Borough-wide	$6000 grants	$480,000	Accessory Apartments
2015				
Housing Action Plan	Borough-wide	Planning Grant	$72,242	
Accessory Apartment Incentive Grant Program	Borough-wide	$6000 grants	$72,000	Accessory Apartments
2011				
Home Run Project	8617 Teal Street	Predevelopment grant	$13,000	SRO's
Total			$1,387,242	

Tax Abatement Programs

CBJ has three tax abatement program currently in place: Subdivision Property Tax Abatement (2016), Downtown Tax Abatement (2021), and Senior Assisted Living Tax Abatement (2020).

Subdivision Tax Abatement

Subdivision Property Tax Abatement - Project Name	Reduction in Assessed Value	Taxes Abated	Housing Type
2022 (If mil rate stays at 10.56)			
Ocean View Drive subdivision (Thatcher - 3 parcels)	$101,600	$1,073	fair market single-family home
Delta Drive subdivision (Bicknell - 14 parcels)	$962,844	$10,168	fair market single-family home
2021			
Ocean View Drive subdivision (Thatcher)	eligible but didn't apply	$0	fair market single-family home
Chilkat Vistas subdivision (Heumann - 15 parcels)	$1,536,898	$16,230	fair market single-family home
2020			
Ocean View Drive subdivision (Thatcher - 3 parcels)	$101,600	$1,073	fair market single-family home
2019			
Merritt subdivision (Hayden - 3 parcels)	$849,700	$9,057.81	fair market single family home
Totals	$3,552,642	$37,601	

Downtown Tax Abatement and Assisted Living Tax Abatement have not been utilized to-date. However, the Riverview Assisted Project submitted an application to use the program after construction is complete and there have been a number of inquiries about future use in the eligible downtown area.

CBJ Mobile Home Down Payment Assistance Loan Program

The CBJ Mobile Home Loan Down Payment Assistance Loan Program continues to be an option for homeowners with partner True North Federal Credit Union. Staff has scheduled check-in meeting with TNFCU staff to discuss updates and next steps.

Loan Date	Amount		Loan Date	Amount
2020			2017	
7/7/2020	$10,000		1/12/2017	$7,700
2019			1/19/2017	$4,600
1/17/2019	$9,500		4/19/2017	$4,290
3/21/2019	$6,250		5/4/2017	$4,875
9/4/2019	$4,400		9/1/2017	$6,300
11/5/2019	$3,600		9/13/2017	$7,650
2018			Total Loans	$79,315
6/8/2018	$7,150			
9/7/2018	$3,000			

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Other Items of Note

- Riverview Assisted Living (Torrey Pines Development): Construction is on schedule with opening target of 2023. Torrey Pines Development reports 55 down payments have already been received. Concern for the project is the availability of workforce housing because the project will be filling roughly 50+ positions in the next few years.
- CDD currently has two planner positions open, one for Housing and Land Use Specialist to help continue to address Assembly and Housing Action Plan Goals.
- New Housing Units Permitted Data: The Housing Action Plan notes hitting a target of 66 new housing units created per year for 30 years. Below is updated permits information.

2017-2022 New Housing Units Permitted					
	Total New Units	Single-Family Homes	Condos/ Multi Family	Accessory Apartments	Other
2022	43	34	6	3	0
2021	68	56	5	7	0
2020	59	47	0	12	0
2019	153	52	90	11	0
2018	77	54	13	10	0
2017	80	63	9	7	1
5-YearTotals	480	306	123	50	1

<u>Appendix A: Accomplishments Spreadsheet</u>

In the packet is an update to a spreadsheet summarizing CBJ actions in three main categories outlined in the Housing Action Plan.

a. Planning, Zoning, Policy Changes
b. Land Use
c. Funding: for Housing

Planning, Zoning, and Policy Changes (2016-) Action	Type
2022	
ASM-211015-1 Ordinance 2022-05 **Title 49 Pre-application Conference** (in process)	Land Use Code
CDD-210204-1 Ordinance 2022-04(b) **Downtown Parking**	Land Use Code
CDD-220120-2 Ordinance 2022-11(b) **Street Vending Regarding Parking**	Land Use Code
2021	
CDD-191126-1 Ordinance 2021-35(am) **Creating NC and MU3 zoning districts and standards**	Land Use Code
CDD-200429-1 Ordinance 2021-06 **Land Use Floodplain Code Amendments (was 2020-39)**	Regulation
CDD-210715-2 Ordinance 2021-28 **Land Use Lot Depth**	Land Use Code
CDD-210518-1 Ordinance 2021-26(am) **Rezone Channel View Lot 1 North Douglas D15 to LC**	
CDD-210728-1 Ordinance 2021-36 **Alternative Development Overlay District ADOD**	Land Use Code
CDD-220311-2 Ordinance 2021-21 **Accessory Apartments Land Use Code Amended**	Land Use Code
CDD-220420-1 Ordinance 2022-30 **Rezone D10 to LC Catholic Community Services Property**	Land Use Code
MGR-201201-1 Ordinance 2021-01(c)(am) **Senior and Downtown Tax Abatement**	
2020	
Ordinance 2019-37 Amending the **Land Use Code Related to Nonconforming Development**	Land Use Code
Ordinance 2019-30(am) Related to the **Regulation of Chronic Nuisance Properties**	Regulation
Ordinance 2020-06 Amending the **Land Use Code Repealing the Subdivision Review Committee**	Land Use Code
Ordinance 2020-07 Amending the **Comprehensive Plan Related to Historic and Cultural Preservation**	Plans
Ordinance 2020-11 Amending the **Land Use Code Relating to Private Shared Access Requirements**	Land Use Code
Ordinance 2020-28(b) An Ordinance Amending the **Land Use Code to Extend the Sunset Dates for Alternative Development Overlay Districts (**	Land Use Code
Ordinance 2020-42 Amending the **Land Use Code Relating to Flood Plain Maps**	Land Use Code
Ordinance 2020-54 An Ordinance **Amending Title 53 Regarding Easement Valuation**	Regulation
Amendment of Title 03, Chapter 41 **Residential Onsite Wastewater Treatments and Disposal System Maintenance Program**	Land Use Code
Ordinance 2020-47(am) **An Ordinance Regarding Disclosure of Real Estate Values in Transactions**	Regulation
2019	
Ordinance 2019-27 Amending the Land Use Code to **Extend the Sunset Date for the Downtown Juneau Overlay District**	Land Use Code
Ordinance 2019-09 Amending the **CBJ Codes Related to Planning Commission Review of City and Borough of Juneau Real Property**	Land Use Code
Ordinance 2019-08 Amending the **Land Use Code Related to Street Standards**	Land Use Code
Upstairs Downtown Housing Inventory Story Map completed	Plans
A Resolution **Repealing Resolution 2506 and Disbanding the Juneau Affordable Housing Commission**	Personnel
Accessory Apartment Code Update at Title 49 Committee	Title 49
Energy efficiency code changes adopted to Title 49; density bonuses and setback exemptions for energy efficiency	Title 49
2018	

Ordinance 2018-41 Amending the **Land Use Code Relating to Alternative Residential Subdivisions**, includes density bonus, options for tiny houses	Land Use Code
Ordinance 2018-31 Amending the **Land Use Code Relating to Sobering Centers and Emergency Shelters**	Land Use Code
Ordinance Serial No. 2018-26 Amending the **Property Maintenance Code to Reference the International Property Maintenance Code 2012 Edition**	Property Maintenance Code
Ordinance 2018-04(b) Amending the **Land Use Code Relating to Variances**	Land Use Code
Ordinance Serial No. 2018-06 Amending the **Land Use Code Relating to Setbacks for Energy Efficiency Improvements**	Land Use Code
Ordinance Serial No. 2017-34 Amending the Comprehensive Plan by Adopting the **Lemon Creek Area Plan**	Plans
2017	
Ordinance serial No. 2017-25 Amending the **Land Use Code Related to Panhandle Subdivisions**	Land Use Code
Ordinance 2017-16 Amending the **Land Use Code Relating to Alternative Development Overlay Districts (ADOD)**	Land Use Code
Ordinance 2017-01 Amending the **Building Regulations Code**	Building Code
Ordinance 2016-26(b) Amending the **Land Use Code Relating to Access Standards**	Land Use Code
Ordinance Serial No. 2016-46 Amending the **Land Use Code Relating to Parking Waivers**	Land Use Code
2016	
Ordinance 2016-14 Amending the **Land Use Code Relating to Senior Housing and Assisted Living Facilities**	Land Use Code
Ordinance 2015-03 ©(am)Amending the **Land Use Code**	Land Use Code
Ordinance 2015-34(am) Amending the **Land Use Code Relating to Transitional Housing**	Land Use Code
Ordinance no. 2015-07(B) (am) Amending the **Land Use Code Relating to Accessory Apartments**	Land Use Code
Ordinance 2014-14© (am) Amending the **Land Use Code Relating to Rezoning Procedures**	Land Use Code
Ordinance 2014-13 Amending the Comprehensive Plan by Adopting the **Auke Bay Area Plan**	Plans
Ordinance 2015-10 Adopting the **Juneau Economic Development Plan**, includes sections on housing & downtown redevelopment	Plans
Resolution 2780 adopting the **Housing Action Plan**	Plans
Hire **Chief Housing Officer**	Personnel
Hired **Code Compliance Officer** in Community Development Department	Personnel

Project Name	Notes	Type
2022- Calendar Year		
Pederson Hill Subdivision Phase 1	2 lots sold in calendar year 2022, for FY22	Land Sale
2021- Calendar Year		
Pederson Hill Subdivision Phase 1	2 lots sold in calendar year 2021, for FY22	Land Sale
Douglas Island Rural Reserve property - private party sale	2 lots sold in calendar year 2021, for FY22	Land Sale
2020 - Calendar Year		
Hurlock Property lease to Tlingit Haida Regional Housing Authority for Youth Services	Partnership with Zach Gordon Youth Center to provide emergency shelter and service for youth	Lease
Pederson Hill Subdivision Phase 1	1 in calendar year 2020, for FY21	Land Sale
Vintage Park Subdivision: Assisted Living	Property sold to Torrey Pines Development for assisted living development	Sealed Competitive Bid
Lena Subdivision - private party lot sale	calendar year 2020, FY21	Lands Sales
2019 - Calendar Year		
Renninger Subdivision	4 lots sold; 2 lots available for multi-family development	Lands Sales
Pederson Hill Subdivision Phase 1	Bid period opened for 17 lots in first phase	Lands Sales
Lena Subdivision - private party	3 over-the counter sale (calendar year 2019, FY20)	Lands Sales
Vintage Park Subdivision	$1,530,000 purchase for assisted living project	Land Purchase
Pederson Hill Subdivision Phase 1	9 sold in calendar year 2019, but was FY20	Land Sale
2018		
Lena Subdivision	1 over-the counter sale FY18	Lands Sales
Land Use Plan		Plans
2017		
Renninger Subdivision	Convey Lot 2 of the to the Alaska Housing Development Corporation	Lands Sales
Hurlock Property	6 applications received; Alaska Legacy Partners	Lease
2016		
Adopted **Land Management and Implementation Strategy**		Plans
2nd and N. Franklin Parking Lot	2 applications received (Verde Infrastructure Partners, Eagle Rock Ventures	Request for Proposals
Lena Subdivision	6 lots for over-the-counter sale	Lands Sales

Juneau Affordable Housing Fund					
Project Name	Project Location	Funding Use	Approved Awar	Housing Types	Target Population
2022					
AWARE	201 Cordova	Construction	$150,000	SRO's	ome/domestic violence survivors
Glory Hall	127 S.Franklin	Construction	$350,000	SRO's, 1-bedroom	low-income/special needs
St. Vincent's - Channelview	317 Gastineau Ave.	Rehabilitation	$50,000	multi-family apartments	low-income/special needs
St. Vincent's - Teal Street	8617 Teal Street	Rehabilitation	$100,000	shelter/multi-family	low-income/special needs
2017					
Mobile Home Downpayment Assistance Program	Borough-wide	up to $10,000 loans	$100,000	Manufactured Homes	Manufactured Homeowners
Accessory Apartment Incentive Grant Program (Renewal for 2017-23)	Borough-wide	$6000 grants	$480,000	Accessory Apartments	Homeowners
2015					
Housing Action Plan	Borough-wide	Planning Grant	$72,242		
Accessory Apartment Incentive Grant Program	Borough-wide	$6000 grants	$72,000	Accessory Apartments	Homeowners
2011					
Home Run Project	8617 Teal Street	Predevelopment grant	$13,000	SRO's	Very Low-income (50% AMI)
Total			$1,387,242		

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

TO: Deputy Mayor Gladziszewski and Assembly COW DATE: June 3, 2022

FROM: Rorie Watt, City Manager

RE: 1% Sales Tax Draft List

Attached is the draft list of projects and possible expenditures for the proposed 1% sales tax extension. As discussed at the 5/12 Assembly meeting, we did do further outreach to the public and the Departments and did receive additional funding ideas. The attached spreadsheet is the compilation of all of those ideas. Note that some of the ideas are duplicative or should be merged. Also note that both Harbors and Parks and Recreation identified more priorities than could be funded in the 3/12 version of the spreadsheet.

Process moving forward:

Agenda for 6/6 COW: The task for the Assembly tonight is to agree that the master list is complete and final, with the COW deciding to add or subtract projects and/or expenditure ideas.

Task for Assembly Members by 6/20: Rank projects on the master list in order of individual priority.

Agenda for 6/27 COW: The COW will be provided with a prioritized list, based on the compilation of individual member rankings. The task for the meeting is to agree on final list with funding amounts, and to forward an Ordinance request for introduction at the regularly scheduled Assembly meeting on 7/11. I propose that the Assembly work down the list, starting at the highest collective priority, making motions to confirm or adjust the funding amount, then subsequently going down the list until all available the funds have been allocated.

Potential 1% Sales Tax Project/Funding Concepts

	Funds Appropriated FY 22	Pending (6/13 Assembly)	Potential 1% Funding Level from 3/12	Community/Internal Requests	Notes:
AB Pool Reno Inflation Costs	3				
Affordable Housing Fund	5		3		
CBJ Facility Maintenance			8		
CCFR Ladder Truck Replacement			1.2		
Harbor Projects/Grant Match			5		
Information Technology Systems		1.5	3		
JPD Radio System Replacement	0.5		2		Grant Eligible
JSD Facility Maintenance			5		State Support Still TBD
Lemon Creek Multi Modal Path Match	1				Federal Funding (2M) Possible
New City Hall		6.3	6.3		Additional funding from Reduced Rent
Parks/Trails/Sportsfields			5		
Pederson Hill Development			3		
Restricted Budget Reserve			2.5		
North Douglas Crossing Planning	0.25				Federal Funding (7M) Possible
North SOB Parking			5		Potential Match from JCF
Street Maintenance Shop Bays			2		
Teal Street Center Inflation Costs	1.3				
Telephone Hill Redevelopment			3		Potential Match from JCF
Waterfront Museum			4		Passenger Fees, JCF Match, Grants
West Douglas Extension			2		
		Subtotal:	**60**		
Submitted Expenditures					
Adair Kennedy Track Repairs				1	
Assistance to Childcare				5	Annual funding 1M/year
Baseball/Softball Turf Fields				4	
Building Maintenance Projects				9.9	
Capital Civic Center				5	
Fire Station Mechanical & HVAC				2.9	Additive to Building Maintenance CIP
Gastineau Avenue Widening/Parking				4	Support Denser Downtown Housing
Harbor Enterprise				5	Aurora Harbor Floats & Uplands
Harbor Enterprise				1.5	Harbor Deferred Maintenance (Wayside & Taku)
JCOS Submission					
Waste Reduction/Diversion Projects				0.5	Similar to Zero Waste Subdivision
Electrification of CBJ Facilities				2.5	Additive to Building Maintenance CIP
Energy Efficiency for CBJ Facilities				1.5	Additive to Building Maintenance CIP
JPD Roofing				2	Additive to Building Maintenance CIP
Parks & Recreation Major Maintenance and Repair Projects				8.15	
Rock Dump Climbing Gym Grant				0.55	Grant to a Non-Profit, $550,000
Thane Community Garden Grant				0.095	Grant to a Non-Profit, $95,000 (CBJ site not confirmed, under D&H consideration)
Wastewater Utility CIPs				10	
Water Utility CIPs				15	
Zero Waste Activities Land Subdivision				2	Subdivide Lemon Creek Gravel Pit for Zero Waste Activities
			Subtotal:	**81**	
Other comments/requests:					
Fish Creek Area Plan Implementation					Annual CIP Candidate or Parks Bond or Parks 1%
Fix Mint Way					Annual CIP Candidate
Garbage Handling					
Juneau School District Facility Funds					JSD Advises that $6.8M to $20.4M per year from combination of fund sources is necessary
New Incinerator					CBJ does not own the landfill, or control waste stream.
Parks Facility Repair/Upgrade Bond Package (up to $10M)					Meets needs that are difficult to accomplish with 1% Sales Tax
Power Washing Pedestrian Bridge over Calhoun					Operating Budget
Proper Dog Park at Lena Ball Fields					Annual CIP Candidate or Parks Bond or Parks 1%
School Facility Maintenance Project Bonds (up to $10M)					Meets needs that are difficult to accomplish with 1% Sales Tax
Youth Activity Grant					Operating Budget

MEMORANDUM

105 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

DATE: June 3, 2022

TO: Assembly Committee of the Whole

FROM: Jeff Rogers, Finance Director

SUBJECT: **Forecast of 1% Voter-Approved Sales Tax FY2024 to FY2029**

CBJ's 1% voter-approved sales tax for community-designated projects will expire after September 30, 2023—unless the public votes affirmatively to renew it. If voters renew the 1% sales tax for community-designated project, the Finance Department forecasts tax revenue as follows:

	Sales Tax Forecast (2% growth)	1/5 of Total	1% Voter-Approved Sales Tax for Projects	
FY2024	$ 57,500,000	$ 11,500,000	$ 8,625,000	*9 months*
FY2025	$ 58,700,000	$ 11,740,000	$ 11,740,000	
FY2026	$ 59,900,000	$ 11,980,000	$ 11,980,000	
FY2027	$ 61,100,000	$ 12,220,000	$ 12,220,000	
FY2028	$ 62,300,000	$ 12,460,000	$ 12,460,000	
FY2029	$ 63,500,000	$ 12,700,000	$ 3,175,000	*3 months*
		Total	$ 60,200,000	

Board of Education
10014 Crazy Horse Drive
Juneau, AK 99801-8529
(907) 523-1702

May 31, 2022

Dear Mayor Weldon, Members of the CBJ Assembly, and Manager Watt

RE: Support for Funding of School Building Maintenance

The Juneau Board of Education appreciates the strong community support of our schools, as demonstrated by the steady financial support by the Assembly over the years for K-12 education. Per the CBJ Charter, the facilities that our K-12 schools operate in are the property of the CBJ (and not the Juneau School District), and "the assembly shall provide major maintenance and all rehabilitation, repair and construction of school buildings." The Juneau School District "shall provide custodial services and routine maintenance for school buildings." (CBJ Charter Section 13.9)

The CBJ estimates the value of the buildings occupied by the Juneau School District at approximately $340 million. The industry standard is to spend 2%-6% of the replacement value of facilities on preventive maintenance[1]. This equals approximately $6.8 million to $20.4 million per year. The CBJ provides $1 million a year for this purpose through a portion of the voter-approved 1% sales tax. The CBJ has augmented this investment through voter-approved bond packages, such as the bond last year to support the replacement of three roofs at an estimated total cost of about $6 million (repairs are scheduled to occur this summer and next summer).

Members of the Assembly and Juneau Board of Education, at a Joint Assembly School Board Facility Planning Committee on April 7, 2022, identified that the rate of investment into school facilities is substantially below the industry recommended rate of 2%-6% a year. The CBJ Engineering Office has identified $130 million of deferred maintenance for CBJ buildings occupied by the Juneau School District. The current level of “major maintenance and all rehabilitation, repair and construction of school buildings” is insufficient.

At a Special Meeting of the Board of Education on Wednesday, May 25, 2022 the Juneau Board of Education agreed to request that CBJ include funding for major maintenance for voter consideration at the October 2022 municipal election. The Board supports the Assembly fund school maintenance at the 2%-6% industry standard level through a combination of 1% sales tax revenues, bond packages, and General Funds.

We sincerely appreciate the strong support for our schools by the Juneau community and CBJ Assembly. We advocate that CBJ maintain their buildings, occupied by Juneau School District, to avoid higher repair costs in the future. We hope students and staff can continue learning and thriving in safe educational settings; we hope to uphold the School District's core value of environmental stewardship through improved energy efficiencies. We recognize that having strong schools is vital to Juneau's long-term community and economic development.

Sincerely,

Elizabeth Siddon

Elizabeth Siddon
President, Juneau Board of Education

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[1] NAFSA (National Association of State Facilities Administrators). (2021, February). Preventive Maintenance and Deferred Maintenance: Deferred Maintenance: What It Is, Why it Matters, and How to Fix It, p. 9. https://cdn.ymaws.com/www.nasfa.net/resource/resmgr/deferred_maintenance_2021/Deferred_Maint_Report_-_Feb_.pdf

Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: Docks & Harbors Board

To: City & Borough Assembly

Via: City Manager

Date: May 31th, 2022

Re: 1% SALES TAX EXTENSION PROJECT REQUESTS – HARBOR ENTERPRISE

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1. Since the November 2021 Board Retreat, Docks & Harbors has been diligently reviewing and considering potential harbor projects suitable for your consideration. The Board's calculation takes into account several elements: (a) projects which can be leveraged to other grant matching programs; (b) projects which appeal to wide swath of Juneau citizens; (c) projects with equity towards underserved populations; (d) projects which are not new start construction but replace existing or maintains existing infrastructure; and (e) projects unlikely to be funded, but for the 1% Sales Tax Extension initiative.

2. At the April 20th AFC meeting, the Port Director presented the FY23-FY24 biennial budget. Some key takeaways were: (a) that pandemic has significantly impacted our fund balances; (b) that Docks & Harbors is now transferring nearly 20% of its collected enterprise revenue back to CBJ as Interdepartmental and other fees, 3x the amount when compared to FY14; (c) that inflation[1] is severely eroding the real dollar value the Harbor Enterprise has collected for the purpose of capital improvement project (CIP) investments; and (d) that Docks & Harbors plant replacement value is 12% of the entire CBJ property insurance portfolio, greater that the Juneau International Airport and Bartlett Regional Hospital.

3. In the City Manager's March 10th (One Time Funding Opportunities) Memo, $5M was recommended for Harbor Projects/Grant Match. The 2017 1% Sales Tax Initiative netted only $1.5M for the Aurora Harbor; thus, the proposal from the City Manager is most appreciated. As an aside, Docks & Harbors has been applying for ADOT Harbor matching grant since 2018 for Aurora Harbor. The FY23 Legislative Budget does have $2M in the program for Juneau and awaits the Governor's signature.

4. The Docks & Harbors Board requests the Assembly place two projects on the October 4th, 2022 for a total of $6.5M.

a. **$5M Aurora Harbor Floats and Upland Improvements:** After the planned demolition and Army Corps of Engineers dredging of the north end of the Aurora Harbor basin, additional funds would be used to leverage the ADOT Harbor Grant to continue rebuilding this small boat harbor float system and to improve the uplands with replacement of harbor office building, lighting, parking lot paving and partial boatyard recapitalization.

[1] February 2022, the Assembly approved Docks & Harbors request for fees to be increased annually with CPI adjustments.

Docks & Harbors has previously invested $16M to recapitalize the first two phases and approximately one-third of Aurora Harbor remains empty. Docks & Harbors has $1.5M from the 2017 1% Sales Tax Initiative with a $500K commitment from the Harbor Fund Balance in applying for a $2M ADOT Harbor Grant to construct replacement floats in the north end of Aurora Harbor. New 1% Sales Tax revenues would expand the scope of this project or to leverage additional funds for future ADOT Harbor Grant opportunities and to replace an existing inefficient harbor office, improve parking lot lighting, paving and partial boatyard recapitalization.

b. $1.5M Harbor Deferred Maintenance (Wayside Park Fishing Float & Taku Harbor)

(i) Wayside Park Maintenance Dredging: In 2000, the existing 50 foot by 100 foot roadside fishing float was designed/constructed by ADOT and then transferred to CBJ for management along with property conveyance. The float is heavily used by locals and provides a vehicular drive down for ADA accessibility. This project provides access to many Juneauites who are not vessel owners and creates some equity to those without means. Over the past two decades, isostatic rebound has resulted in the float being aground a certain low tides. The periodic grounding is believed to be damaging to the structural integrity of the float. The Port Director knows of no other grant program which can be leveraged for this purpose. The estimate to dredge and repair damage to the float is $750K.

(ii) Taku Harbor Repairs: In April, Docks & Harbors staff mobilized to Taku Harbor to pressure wash and make repairs to the floats. The Deputy Port Engineer led the repair efforts and is expressing concerns about the viability of maintaining the existing float system into the future. These floats were repurposed from the Amalga Harbor project from the early 2000's and are past their useful life. Matching funds via the ADOT Harbor Grant program or through the Dingell-Johnson Sport Fish Restoration Act could be leveraged with local money to recapitalize. Repairs can be scalable up to $2M.

5. The following are short listed projects which were considered but did not make the top tier:

a. Douglas Harbor Uplands Improvements: With the most recent recapitalization project completed in 2018, the Mike Pusich Douglas Harbors float are relatively new. However, the uplands, including the launch ramp and harbor parking lots, are unimproved and lack landscaping and other similar amenities enjoyed at the Statter facility. The Douglas Advisory Board and other Douglas residents have pleaded their desire for the lots to be paved, landscaped and an appropriate harbor walk installed. The Port Director knows of no other grant program which can be leveraged for this purpose. The cost for improvements are scalable to $2M.

b. North Douglas Boat Ramp Improvements: The existing launch ramp is inadequate for the volume of use and an unscientific survey from August suggested strong community support for expanding this facility. Other than a rudimentary rendering showing one-hundred truck-trailer parking spots and a double launch float, no significant design efforts have commenced. In addition to citizen concerns surround additional North Douglas Highway traffic, Docks & Harbors will need to navigate ADOT Right-of-Way challenges before serious design efforts can commence. The Port Director believes there will be matching funds via the ADOT Harbor Grant program and through the Dingell-Johnson Sport Fish Restoration Act which administered through ADF&G. It is anticipated that $20M would be required for a 100 truck-trailer parking lots, which is scalable.

c. Cost Share w/Army Corps of Engineers (ACOE) - Statter Breakwater Feasibility Study: The existing breakwater is approaching 40 years and is in need of recapitalization. ACOE is federally responsible for breakwaters, jetties & groins. The process to advance Docks & Harbors' interests is to petition ACOE to enter into a feasibility cost sharing agreement (FCSA). In this phase, the ACOE would evaluate solutions to replace the existing breakwater. The local applicant (Docks & Harbors) would be responsible for ½ of the analysis, up to $1.5M. After 5 years of requesting this ACOE "new start", the Port Director has reason to believe it will be included in the federal FY23 WRDA Bill which funds much of the ACOE.

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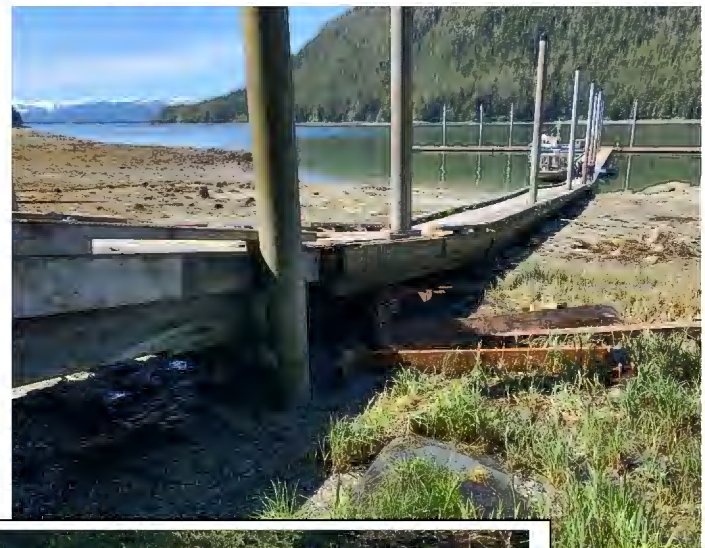
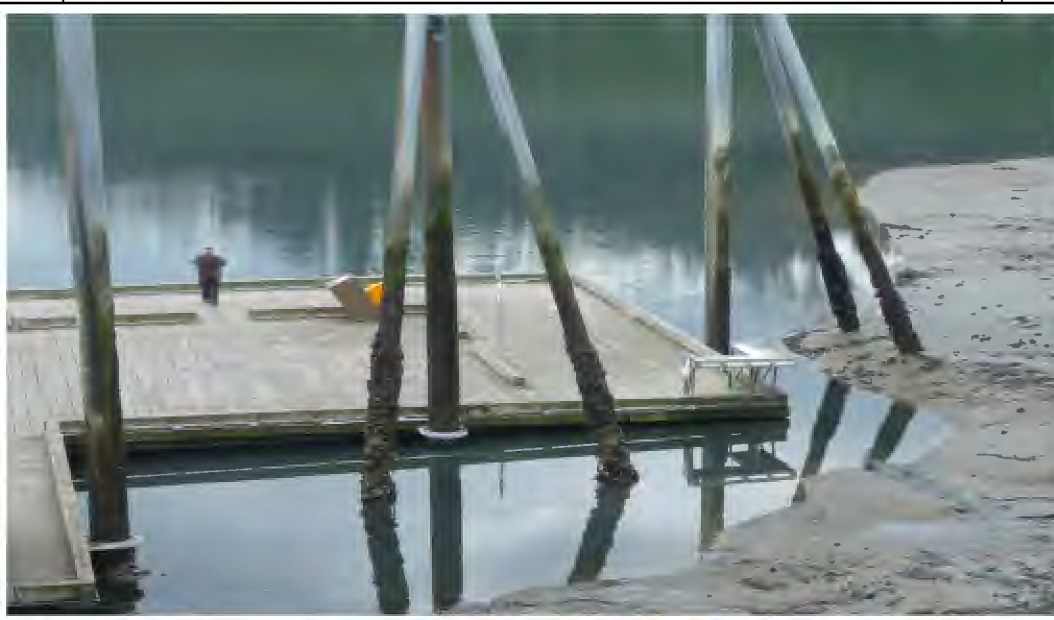
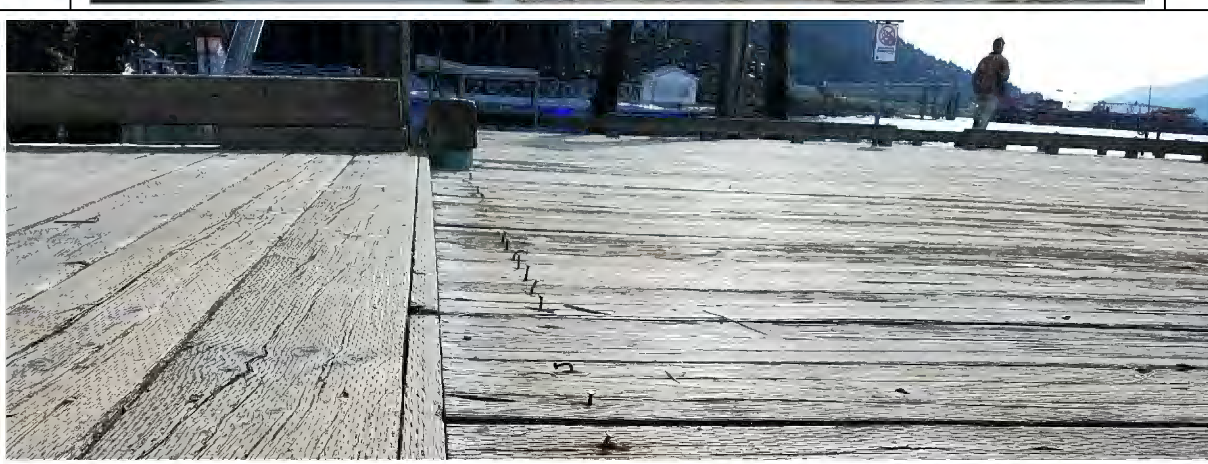
Encl (1) Condition Photos Taku Harbor
(2) Condition Photos of Wayside Park Fishing Float

Taku Harbor Repairs



Wayside Park Float





CITY AND BOROUGH OF
JUNEAU
ALASKA'S CAPITAL CITY
COMMUNITY DEVELOPMENT

Juneau Commission on Sustainability

(907) 586-0715
CDD_Admin@juneau.org
www.juneau.org/sustainability
155 S. Seward Street • Juneau, AK 99801

May 27, 2022

To: Mayor Weldon and Assembly Members

From: Gretchen Keiser, Chair, Juneau Commission on Sustainability gKeiser

Subject: Projects for the 1% Temporary Sales Tax Extension

The Juneau Commission on Sustainability (JCOS) offers three suggested projects for your consideration. Given our duties, JCOS focuses on projects that further Juneau's community sustainability and economic resilience into the future. These projects help to implement the *Juneau Climate Action & Implementation Plan* (2013) and *Juneau Renewable Energy Strategy* (2018), and would address the community's vulnerability to the high cost of heating/heating fuels and to the future costs for municipal waste handling. Undertaking these projects in the mid to late 2020s using a portion of the 1% sales tax revenues will have long-term benefits by tackling some basic utilities that drive the cost of living in Juneau.

1. **Waste Reduction and Waste Diversion Projects.** In the next 1-2 years, CBJ will investigate zero waste/ waste reduction planning to reduce/divert the community's solid wastes in order to prolong the life of the landfill and reduce GHG emissions. That effort is expected to identify pilot projects where CBJ can undertake public-private partnerships that reduce waste and divert wastes into reusable resources locally. These funds could also provide a match for grant opportunities for local waste reduction and resource recovery. Request: $500,000

2. **Electrification of Heating in CBJ Facilities**. Projects to support installation of renewable energy-sourced heating systems in CBJ facilities, to reduce long-term operational costs and to meet CBJ climate and renewable energy goals. Request: funding for Glacier Fire Station ground-source heat pump (GSHP) and to plan for the infrastructure needed to allow downtown CBJ buildings to connect to the proposed new district heating system. $2.5 million.

3. **Energy Efficiency Upgrades to CBJ Facilities**. Beyond routine maintenance, CBJ should add funding to continue to invest in energy efficiency improvements when addressing deferred maintenance. Examples include upgrades to HVAC, lighting, and building envelope components, including reroofing, of CBJ facilities. These investments pay for themselves through energy cost savings while contributing to sustainability goals. CBJ Building Maintenance, together with Engineering and Finance, is developing an Energy Management tool to allow decision makers to target investments to the improvements with the biggest bang for the buck. Request: additional investment in the energy efficiency component of CBJ deferred maintenance projects. $1 million.

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
PARKS & RECREATION

TO: Rorie Watt, City Manager
Katie Koester, Engineering & Public Works Director

FROM: George Schaaf, Parks & Recreation Director

DATE: June 3, 2022

RE: Parks & Recreation Proposal – Temporary 1% Sales Tax Extension

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The Parks & Recreation Department proposes the following projects be funded with Temporary 1% Sales Tax (2023-28), subject to voter approval. The Parks & Recreation Department relies on the Temporary 1% Sales Tax to fund critical maintenance and improvements to municipal parks and facilities. Historically, 10% to 12% of revenues from the Temporary 1% Sales Tax have been allocated to Parks & Recreation projects. Based on projected revenues of approximately $60 million over the next five years, maintaining this historical allocation would provide approximately $7 million to $8 million for Parks & Recreation projects. Given rapidly escalating costs, this level of funding is necessary to maintain what we have.

This list reflects projects and priorities from the Department's Six-Year Capital Improvement Program, which has been reviewed and vetted by the Parks & Recreation Advisory Committee and Planning Commission.

2023-28 Temporary 1% Sales Tax Parks & Recreation Projects		
	Areawide Park Deferred Maintenance	$500,000
2	Areawide Trail & Bridge Repairs • *Perseverance Trail* *$750,000* • *General Trail Repairs* *$250,000*	$1,000,000
3	Areawide Parking Lot Paving & Drainage • Melvin Park $700,000 • Twin Lakes Park $650,000 • River Road Trailhead $450,000 • Treadwell Arena $300,000 • Cope Park $200,000	$2,300,000
4	Renninger Park & Pipeline Skatepark Improvements	$2,000,000
5	Arboretum & Eagle Valley Center Road Repairs & Drainage	$300,000
6	Park & Trail Signage	$250,000
7	Fish Creek Park ADA Access Improvements	$500,000
8	Riverside Rotary Park Lighting Replacement	$500,000
9	Valley Parks & Landscape Operations Equipment Storage & Lighting	$800,000
	5-Year TOTAL	**$8,150,000**

From: Eran Hood
To: Borough Assembly
Cc: Jessie Palomino
Subject: sales tax project proposal
Date: Tuesday, May 31, 2022 10:51:53 PM

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Dear Juneau Assembly,

I would like to respectfully submit a project proposal for funding consideration from the CBJ 1% sales tax should it be renewed in the next election.

A New Indoor Rock Climbing and Multi-Use Recreational Facility for Juneau

Background
The Rock Dump Indoor Climbing Gym opened in 2001, and since 2017 it has been run by Juneau Climbing and Recreation, a 501c3 non-profit organization dedicated to promoting health, wellness, and physical fitness by providing climbing activities and instruction for CBJ residents. Given the location of our community, rock climbing and related activities such as mountaineering are an important part of the outdoor culture of Juneau. The Rock Dump provides a facility that teaches Juneau citizens of all ages proper climbing techniques so that they can safely enjoy climbing both in our gym and at outdoor climbing sites around CBJ.

Our current indoor facility has served us well and includes approximately 11,000 square feet of climbing terrain. However, it also has two notable shortcomings: 1) the facility is owned by the Alaska Coach company and leased by Juneau Climbing and Recreation. As such, it does not represent a stable, permanent location for our gym, which hinders our ability to fundraise and upgrade our facility, and 2) the gym is currently located on Eastaugh Lane out Thane Rd, which limits its use by people who live in the valley and out the road because of the length of the commute. It is also not in close proximity to any schools, which limits its availability as an after school recreation facility.

Despite these limitations, our facility plays a central role in Juneau's outdoor recreation community. The gym currently has more than 200 members who pay a monthly, recurring fee to use the facility. Moreover, in an average month, the Rock Dump has between 800-1100 user visits. The gym provides climbing classes for youth and school groups as well as classes for adults seeking to improve their climbing skills. It also contains a variety of weight training equipment. The Rock Dump is regularly used by students in the Outdoor Studies program at the University of Alaska Southeast and as training space for members of Juneau Mountain Rescue, a community nonprofit corporation, dedicated to providing technical search and rescue services and safety training for southeast Alaska.

Our proposal to begin the process of developing a new climbing gym would allow us to upgrade our climbing structures and expand our programming, particularly with regard to youth classes and partnerships with the Juneau School District. In addition, developing a new facility at a more central location will allow for even wider use by CBJ residents. Climbing teaches valuable lessons about teamwork and instills self-confidence in youth and adults alike. By developing a new gym, we hope to provide a year-round recreational facility that will allow citizens of CBJ to increase their fitness, technical skills, and ability to enjoy climbing related outdoor recreational opportunities in and around our community.

Proposal for a New Facility
Juneau Climbing and Recreation would like to request funds to help design and develop a new indoor climbing facility for Juneau that would include multi-use indoor recreational space and accommodate other recreational activities such as yoga and physical fitness classes. The funds requested here would kick start our campaign to develop a new facility and would be used for three specific purposes: 1) to hire an architect and engineer to do design and cost estimates for a new gym, 2) to purchase land in a more central location where we can build a new facility, and 3) to provide matching funds for capital grants from organizations such as the Rasmussen Foundation that would support construction of the new facility.

Total Budget: $550,000

The Rock Dump has a strong track record of providing meaningful recreation opportunities for residents of CBJ. Providing us with the requested funding will allow us to improve our facility and reach a much wider cross section of our community.

Thank you for your consideration of our proposal. Please don’t hesitate to contact me if you require more information.

Best Regards,

Eran Hood
Board President, Juneau Climbing and Recreation

Thane Community Garden Association
5250 Thane Road Juneau, Alaska 99801

CBJ Mayor Beth Weldon and Juneau Assembly
155 Seward Street
Juneau, Alaska 99801

26 May 2022

Dear Juneau Assembly Members

The Thane Community Garden Association (TCGA) would like to recommend a 1% Sales Tax Extension – Discretionary Funding project to CBJ whereby 1-acre of the Little Rock Dump is prepared for the purpose of establishing the Thane Community Garden. To be clear, CBJ Docks and Harbors, as the land manager, has not made a determination regarding TCGA access and use of the land, but conversations are in progress and site preparation is one important consideration.

Since January 2021, the TCGA has been working towards building another a community garden to alleviate the high demand, long waiting lists, and long drive for those living south of the Valley. We have been coordinating with CBJ Parks and Recreation as this project is consistent with the 2018 Comprehensive Plan, Resolution 2593, Resolution 2808, Juneau Commission on Sustainability, and Mayor Weldon's letter of support (10 Feb 2021).

The Little Rock Dump has full sunlight exposure on near-flat terrain, conditions that are ideal for a garden and are uncommon in the steep, forested terrain of southern Juneau. As a formally closed sludge storage facility with DEC-approved cap, land uses are not unlimited and agriculture is one very practical use option. With planning, a garden would co-exist and not impinge on existing land uses. Like any potential garden site, however, the land would require site-specific preparation. This proposal is a 'two birds with one stone' project by 1) preparing for a community garden while 2) maintaining and cleaning up a portion of the Little Rock Dump. This proposal is budgeted at $95,000 and, contingent upon approval by Docks and Harbors, involves community garden site preparation as follows:

- Identify community garden site at Little Rock Dump
- Purchase/install chain-link fence around 1-acre (safely isolating people/cars from other uses)
- Develop safe access to the 1-acre site (complying with existing uses)
- Remove trees and shrubs in manner to not disturb DEC-approved cap
- Remove unused and/or hazardous materials/structures
- If needed, refill/compact any slumps in DEC-approved cap
- Purchase/bury water line from creek-garden (avoiding conflicts with other users)
- Purchase/install membrane and imported topsoil (isolating raised beds from cap)

Thank you for your consideration of this community garden proposal for a 2022 CBJ 1% Sales Tax Extension – Discretionary Funding for CBJ.

Sincerely,

JSherburne

Judy Sherburne, President, TCGA

907-586-8177 tele jlsherburne@gci.net

COOPERATIVE
EXTENSION
SERVICE

May 25, 2022

Judy Sherburne
Thane Community Garden Association
5250 Thane Road
Juneau, Alaska 99801

Dear Judy,

As the Cooperative Extension agent for Southeast Alaska responsible for supporting increasing local food cultivation, I am very excited about your proposed project to develop a portion of Juneau's Little Rock Dump into a valuable community garden space. As you are aware, it is really challenging to find convenient locations that are suitable and available for this purpose. I commend your efforts to find and offer to help develop this space for residents to grow food, socialize and recreate in that part of Juneau.

I would encourage the Juneau Assembly to support developing this site for this purpose using funds from the 2022 CBJ 1% Sales Tax Extension.

Further, if needed, I offer to support this effort by helping with garden design, identifying additional resources, recruiting volunteers and other related needs.

Sincerely,

Darren Snyder
Agriculture and Horticulture Agent
Associate Professor of Extension
UAF IANRE

Juneau District Office
712 W. 12th Street, Suite 1
Juneau, AK 99801-1574

Phone: 907-523-3280
Fax: 907-523-3220

www.uaf.edu/ces

UAF
UNIVERSITY OF ALASKA FAIRBANKS

Engineering & Public Works Department
Marine View Building, Juneau, AK 99801
907-586-5254 <phone>

MEMORANDUM

DATE: **June 3, 2022**

TO: **Deputy Mayor Gladziszewski and Borough Assembly**

FROM: **Katie Koester, Engineering & Public Works Director**
Jeff Rogers, Finance Director

THROUGH: **Rorie Watt, City Manager**

SUBJECT: **New City Hall Update**

The purpose of this memo is to answer outstanding questions from the body and prompt Assembly discussion on introducing an ordinance to place a bond on the October 2022 ballot.

Possible Financing Options

With the Assembly having now chosen the former public safety site at 450 Whittier as the preferred alternative, the next step is to determine an appropriate financing mechanism. Most likely, the Assembly will want to use some portion of general obligation debt and some portion cash (fund balance or 1% sales tax). The three scenarios below are the same, except that they calculate different cash contributions. Option #1 includes $0 from cash, option #2 includes $6.3 million from cash, and option #3 includes $12.6 million from cash (likely $6.3 million from fund balance and $6.3 million from the 1% voter-approved sales tax for projects). In each scenario, the calculated annual debt payment is reduced by the amount of operating funds that are saved by vacating our leases and current City Hall. These calculations assume a 25 year bond at 5.0% interest.

	450 Whittier *Public Safety Site*		
	Option #1	**Option #2**	**Option #3**
Project Cost	$ 38,200,000	$ 38,200,000	$ 38,200,000
Appropriation of Cash (Fund Balance and/or 1% Sales Tax)	$ -	$ (6,300,000)	$(12,600,000)
Amount to be Financed via Bond Debt for NCH	$ 38,200,000	$ 31,900,000	$ 25,600,000
Anticipated Annual Bond Debt Payment for NCH	$ 2,737,488	$ 2,286,017	$ 1,834,547
Current City Hall Costs: Custodial, Utilities, and Maintenance	$ 265,570	$ 265,570	$ 265,570
Lease Costs: Marine View, Muni Way, Sealaska, Seadrome	$ 819,005	$ 819,005	$ 819,005
Operating Costs for New City Hall	$ (331,762)	$ (331,762)	$ (331,762)
Annual CBJ Operating Funds Available for NCH Debt Payments	$ 752,813	$ 752,813	$ 752,813
Amount to be Paid by Property Tax from Debt Service Mill Rate	**$ 1,984,675**	**$ 1,533,204**	**$ 1,081,734**
Mill Increase Needed for Debt Service	**0.34**	**0.27**	**0.19**
Annual Tax Per $100,000 Value	$ 34.00	$ 27.00	$ 19.00
Annual Tax Per $500,000 Home	$ 170.00	$ 135.00	$ 95.00

When this same financing concept was reviewed several years ago, it was possible for a $10 million cash contribution to make the annual debt payment so low that no addition funding from the property tax mill rate was required. However, project cost escalation due to delayed decision making no longer allows that.

Parking

The public has been clear that a new city hall needs to have convenient public parking. Under recently adopted city code, the facility requires 56 parking spaces. There are also CBJ employee needs to consider with 175 parking passes issued. However, this district has a tremendous amount of surface parking; the radii 1200 feet around 450 Whittier currently accommodates 522 individual personal vehicles, the majority of which is on land owned by CBJ. If you expand the radii to 1500 feet the supply is greater. All of these spaces have a variety of current uses including Centennial Hall/ JAC, individual businesses, the State and on-street. It is difficult to understand a complete picture of the future parking needs of the area after two years of COVID and teleworking as the State has yet to assess parking needs with the decrease of 741 Juneau based jobs since 2014. Also, Central Council has expanded their presence in the area and have yet to establish their parking needs. Another possibility to consider is the expansion of the North State Office Building as a solution for State, City and Tribal facilities; CBJ was provided $5M in the state capital budget towards for potential expansion of the North State Office Building.

CDD staff drafted a comprehensive parking analysis for 450 Whittier that was discussed at the 4/11/2022 COW and can be found here. More analysis is needed as the project moves forward. This includes shared use agreements, promotion of alternative transportation, a pedestrian corridor to Marine Parking Garage, assessing the needs of other agencies, and new parking such as the North State Office Building Parking Garage.

Feedback from 6/19/22 Public meeting

Staff and the Architect team held a second public meeting on the project on May 19th. It was well advertised through press releases and a direct invite to over 800 people who signed up to stay informed on the project- however it was the first in a long string of nice days and attendance was poor. We did send the recording and materials out to the list serve and were able to collect additional input after the meeting via email. To summarize:

-Parking seems very expensive
-New City Hall is needed and essential
-Like the design and can see a lot of thought has gone into it
-Concern about timing: coming off of 2 years of COVID and a possible mini recession
-There is an impression that CBJ can't say no to any project; focus on efficiencies and cost savings to get ahead of that
-Not supportive of the Willoughby site as the best place for city hall; aaw'k kwaan historical areas are being invaded by government buildings.

Locating Assembly Chambers Off-site

At the April 11th Committee of the Whole the body selected 450 Whittier as the preferred alternative for New City Hall and directed staff to research further the option of locating chambers off site.

How much would eliminating chambers really save? ($1.6M-$1.95M)

At the 4.11.22 COW I presented a very rough square foot based cost associated with Assembly Chambers. The Architects analyzed removing chambers and determined that because of hallway and other space requirements, they recommended eliminating less space, reducing the potential savings to $1.6M to $1.95M.[i] Keep in mind there is also operational savings involved in reducing the square footage of a facility.

How much use does the chambers get? (Most weekdays, at least one meeting)

The Clerk's office looked at 2019 and chambers had at least one booking an average of 21 days a month, almost exclusively on weekdays. While the meetings were predominantly in the evening, there were a number of daytime bookings, especially for less regular meetings (task forces, for example) or staff use (trainings and large meetings). Some, but not all, of these meeting could be accommodated in a decent size conference room [ii]

Input from Users (a solid no…)

I have received feedback from users of Centennial Hall and Assembly Chambers, and it is fair to say no one is a fan of the potential scheduling conflicts sharing the space creates. Concerns include:

- The ability to book the entire facility for a multi-day conference and the impact on conference revenue.
- Not being able to easily work around the Assembly's technical needs (recording, mics, screen projection and dais).
- Chambers is the most visible public aspect of City Hall and it needs to have the formality and authority of a permanent and dedicated space.
- Sharing chambers would take a key operational asset of the city and put it in another space that would require constant juggling to the detriment of the conference center.
- The space routinely gets used by outside organizations and city staff; there is demand.
- Convenience factor: staff being able to run up to their office at a moment's notice or quickly pop in is important.

Recommendation

- Discuss and confirm that Assembly Chambers should be included in the facility.
- Discuss and confirm that underground parking should not be included in the project; that municipal resources for parking in the area should go towards the North State Office Building Garage project.
- Discuss and determine whether to direct staff to draft an ordinance for introduction to put a general obligation bond before the voters at the October 2022 municipal election. Dollar amount of bond is either $38.2M, $31.9M, or $25.6M depending on whether Assembly is willing to appropriate proposed $6.3M of general fund and whether the project will also be included in the slate of projects for the 1% sales tax extension.

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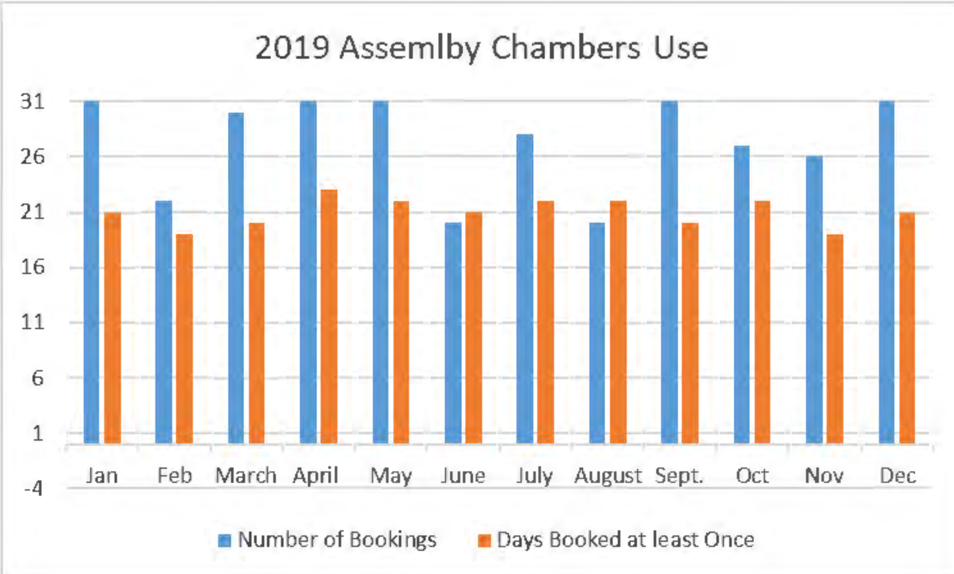
[i] The assembly chambers are designed in our estimate as a double story volume. Looking at the reduction of 2500 sf (not the 2800 in the design)– two strategies affect design differently:

- If we were to subtract the assembly chambers from the second and third floor with no reduction in building footprint
  - Foundation costs, unchanged
  - Roof costs could go up a little if that lower roof is built as a terrace accessed from the second floor.
  - Construction Cost per square foot of the reduced area = $499/sf x 2500 sf = $1,247,500
  - Project Cost per square foot of the reduced area = $499/sf x 2500 sf = $1,247,500 + 35% = **$1,684,125**
- If we rearrange the building and make the footprint smaller
  - taking out 1250sf of footprint and roof as a part of the 2500 sf reduction
  - Construction Cost per sf of the reduced area = $577.50 x 2500 = $1,443,750
  - Project Cost per sf of the reduced area = $577.50 x 2500 = $1,443,750 + 35% = **$1,949,063**

[ii]


2019 Assemlby Chambers Use
31
26
21
16
11
6
1
-4
Jan
Feb
March
April
May
June
July
August
Sept.
Oct
Nov
Dec
Number of Bookings
Days Booked at least Once

COW Meeting

Update on New City Hall
June 6, 2022

Project Website
https://juneau.org/engineering-public-works/new-city-hall

Email Questions
NewCityHall@Juneau.org

Historic
Anchorage City Hall

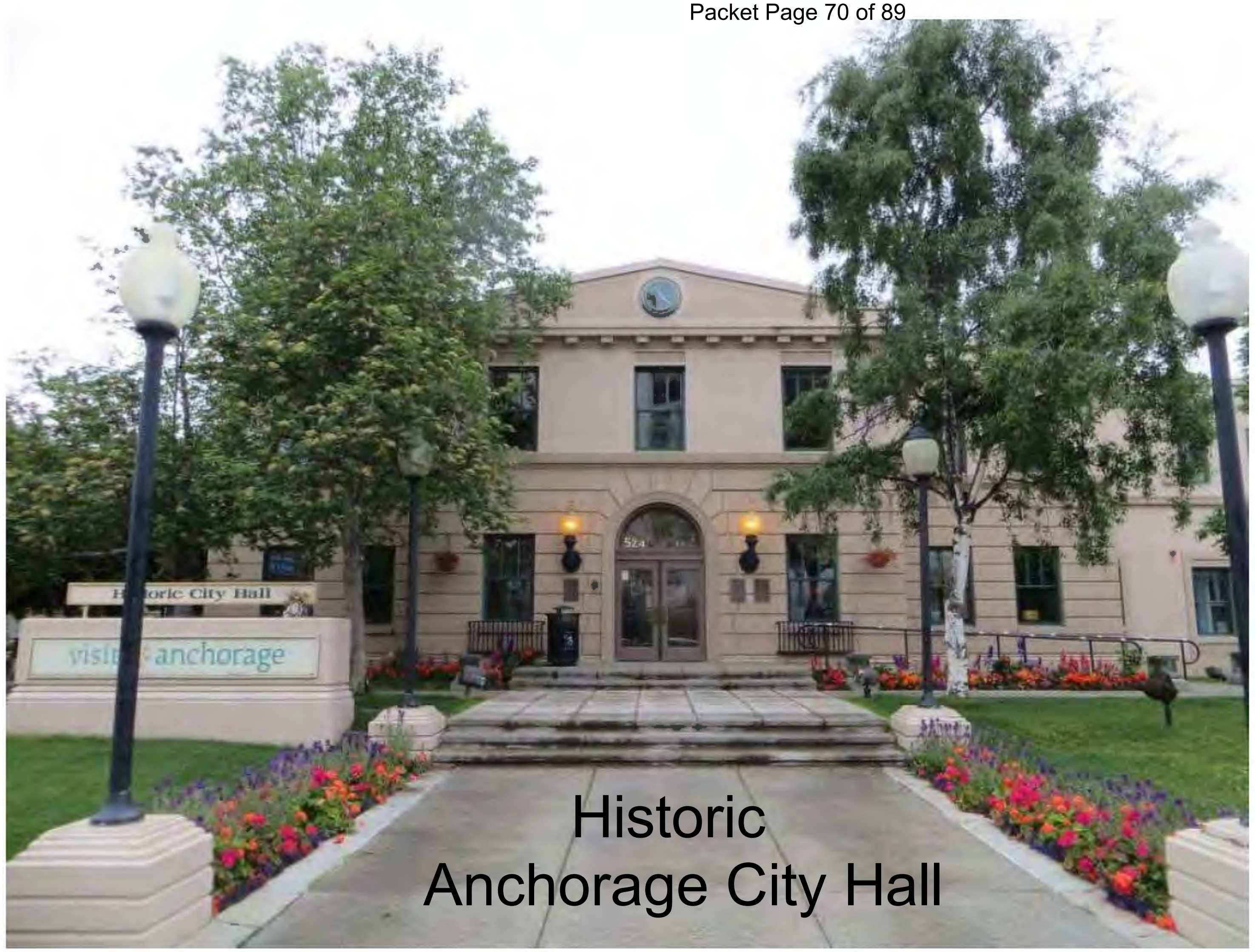
Fairbanks City Hall

Historic
Juneau City Hall

Current Juneau City Hall

SRS ARCHITECTURE

NorthWind Architects, LLC
126 Seward Street
Juneau, AK 99801



Historic
Anchorage City Hall

Anchorage City Hall

NorthWind
Architects, LLC
126 Seward Street
Juneau, AK 99801

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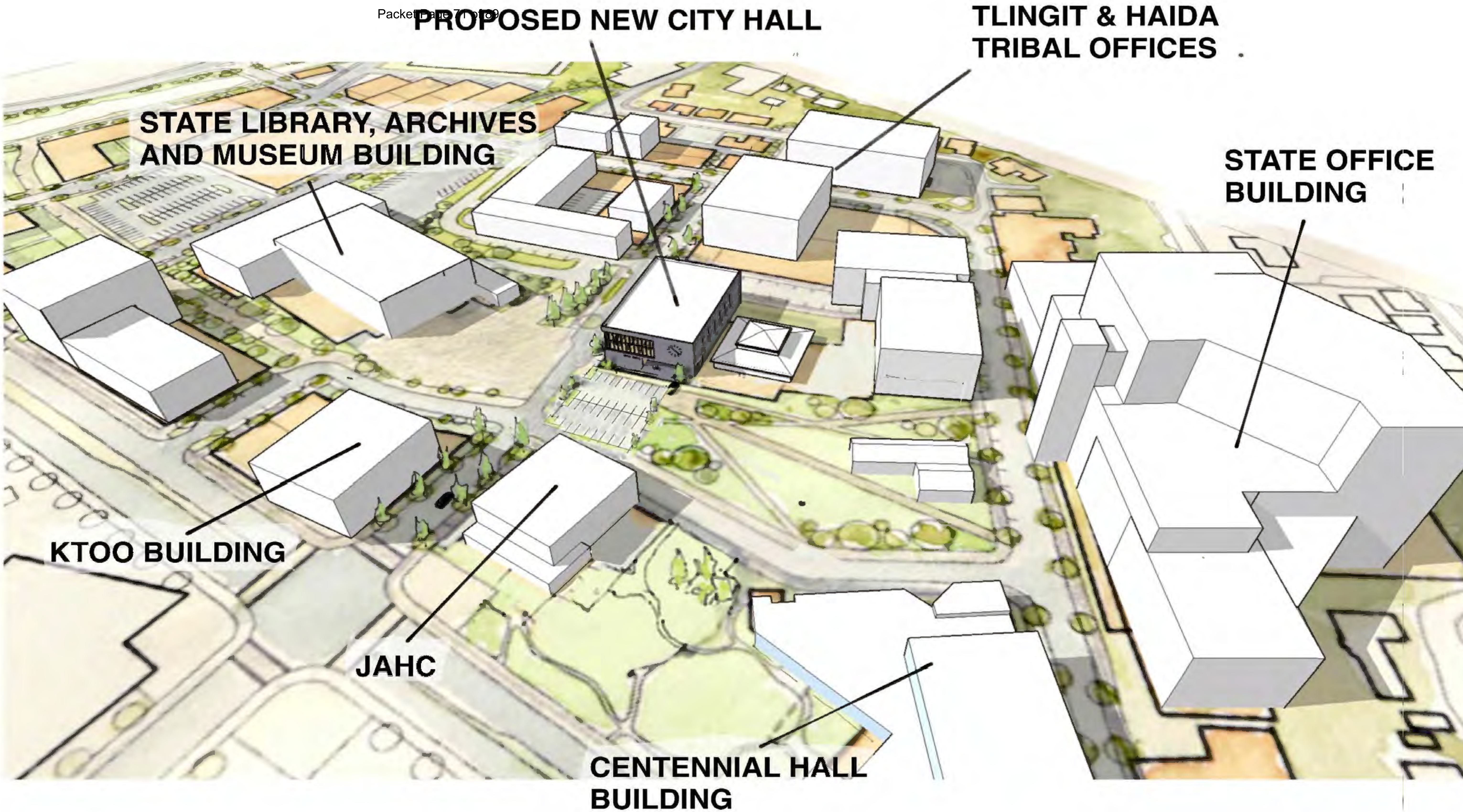

City Hall - Context Diagram important civic buildings

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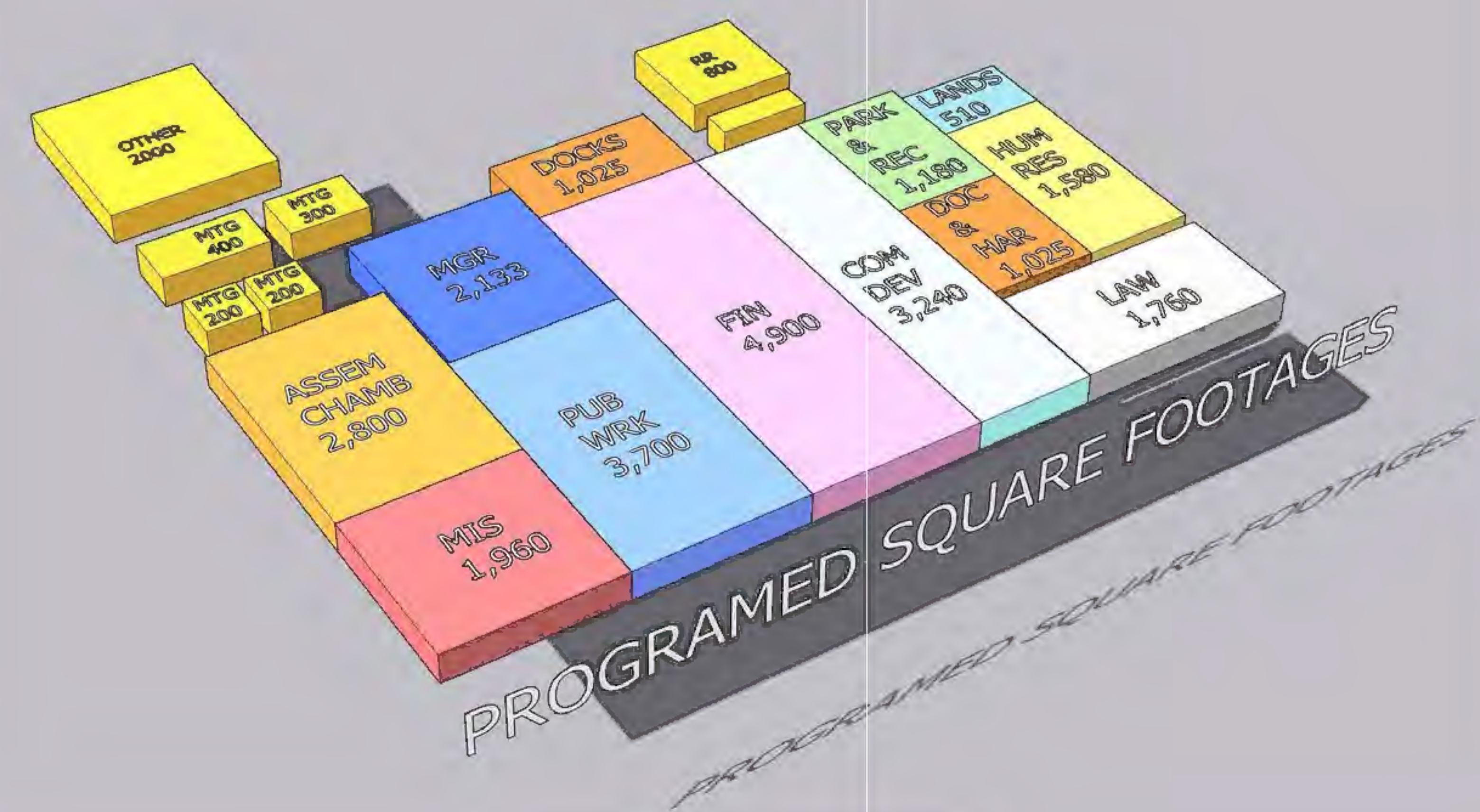
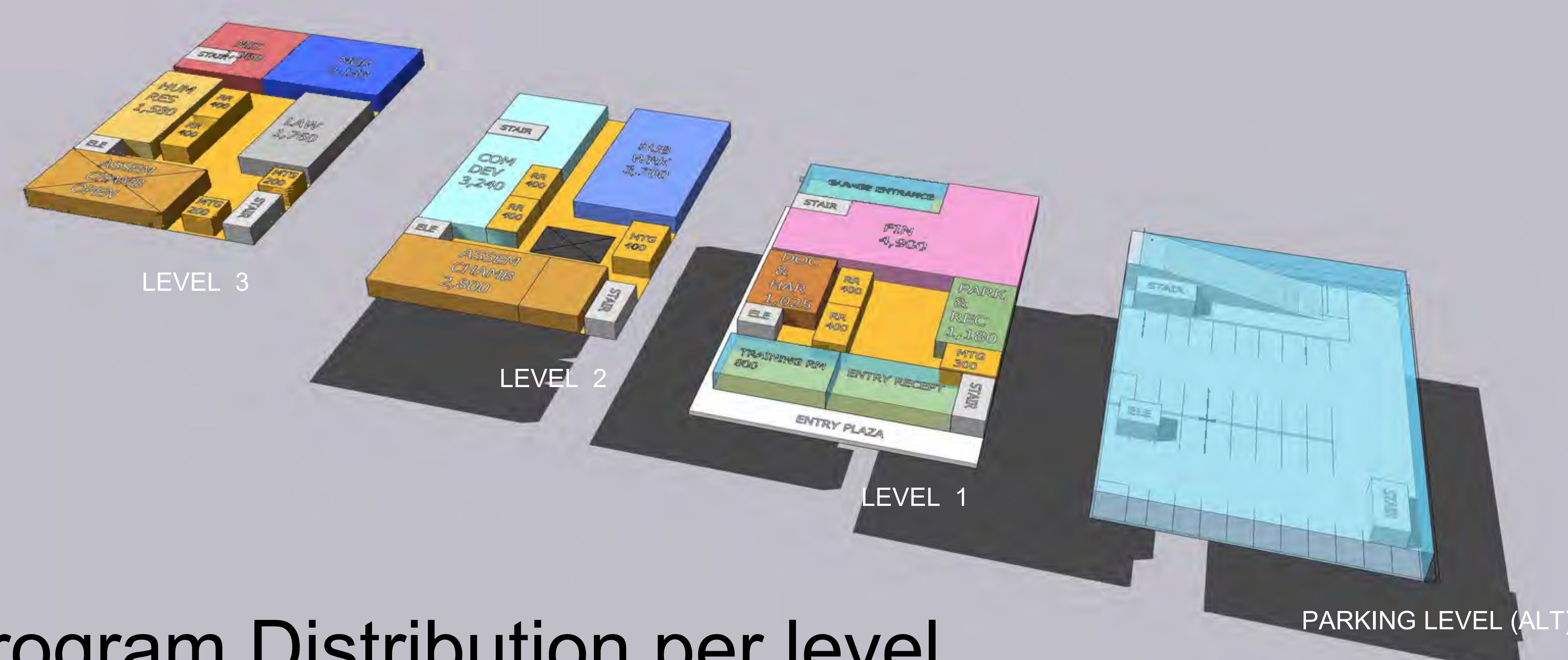
City Hall - Space Program





Program Distribution per level

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126 Seward Street
Juneau, AK 99801

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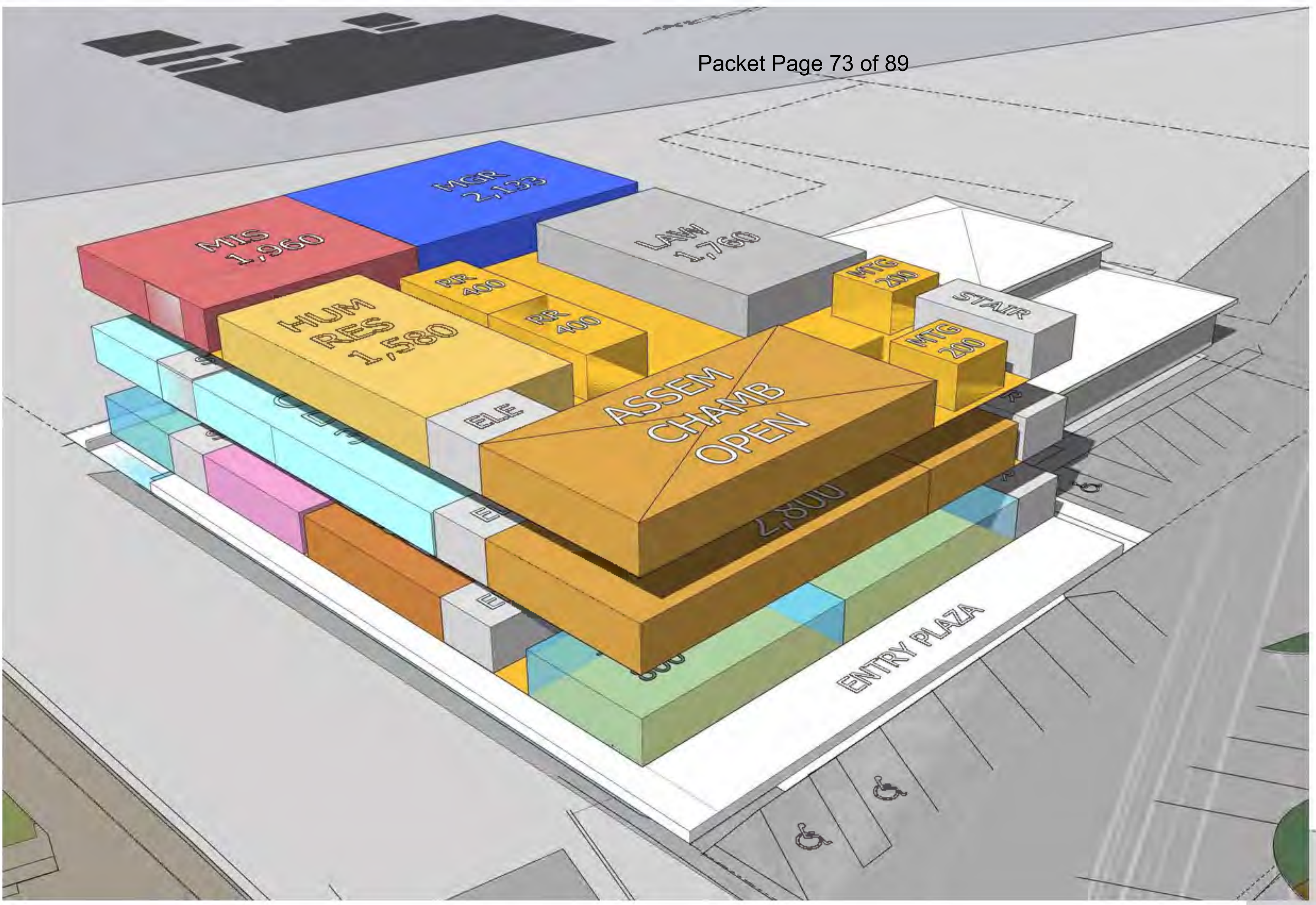
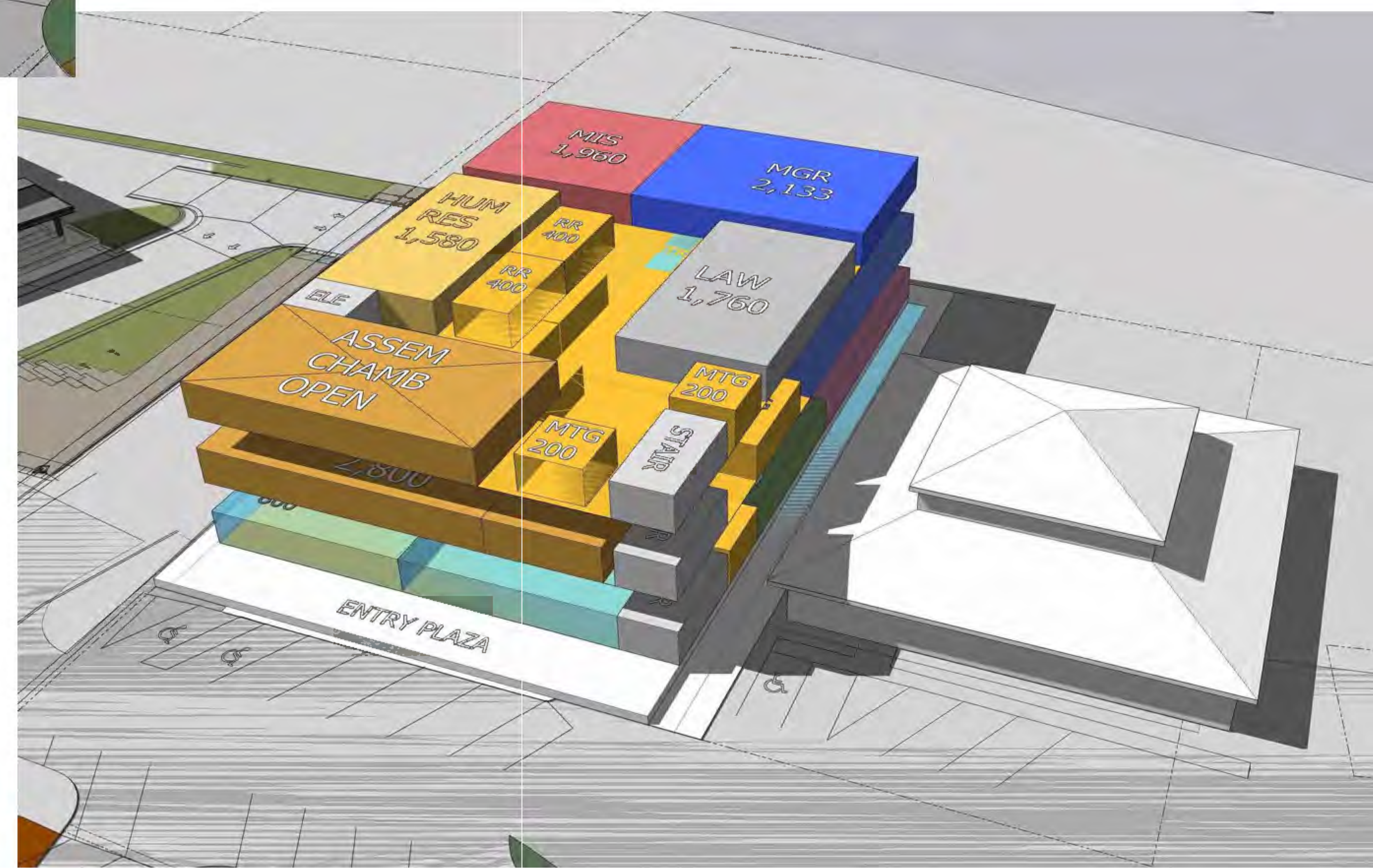
Program Stacking Diagrams





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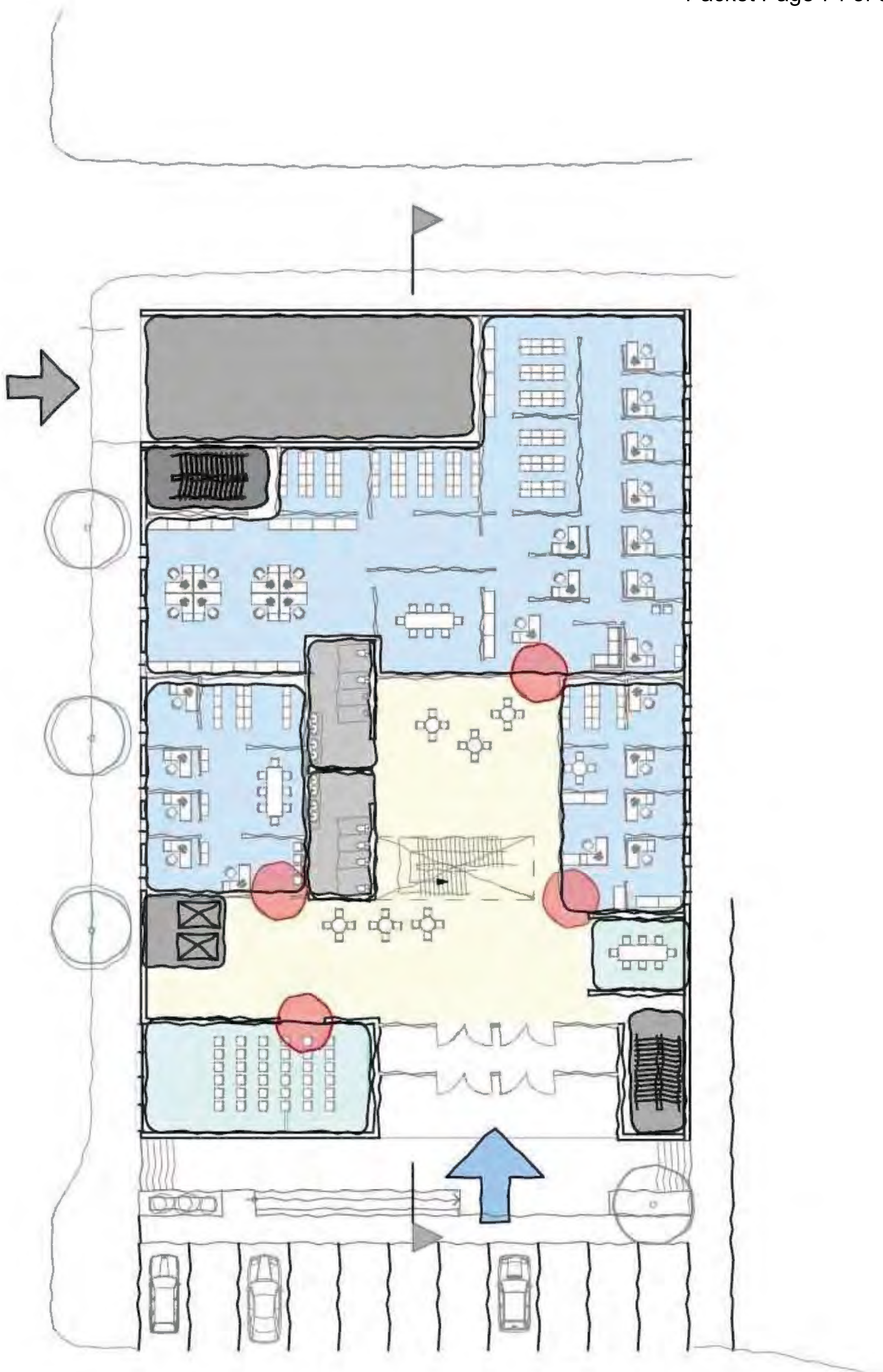
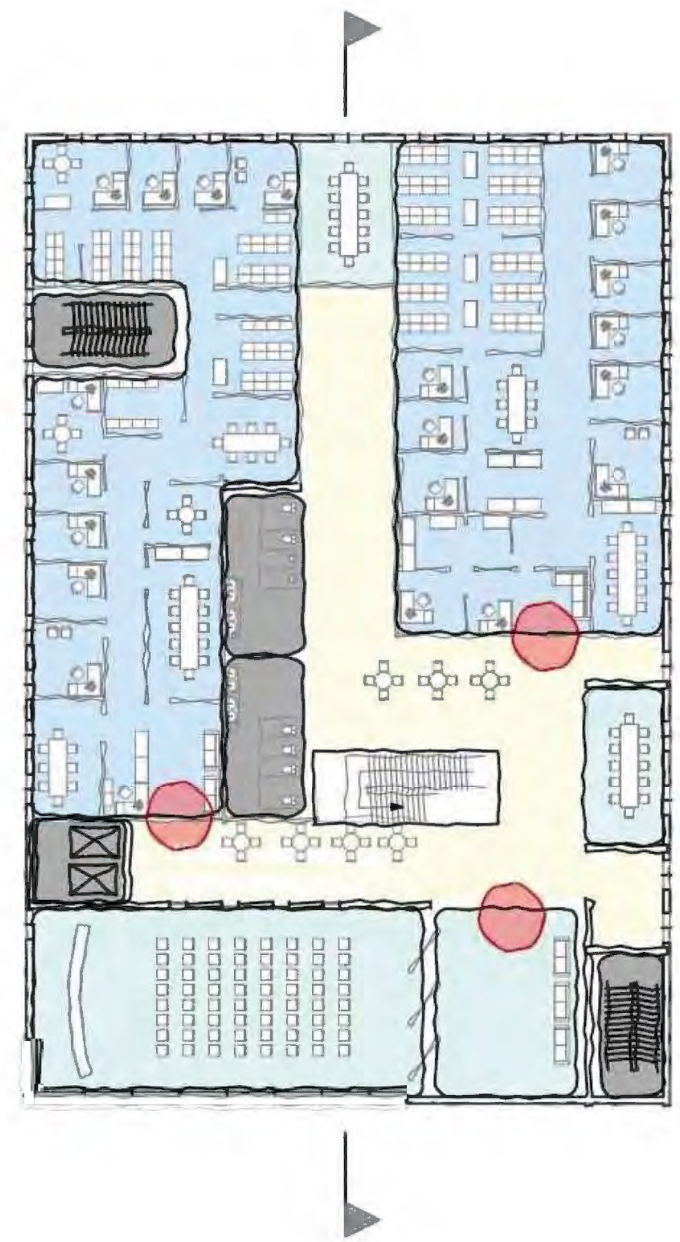
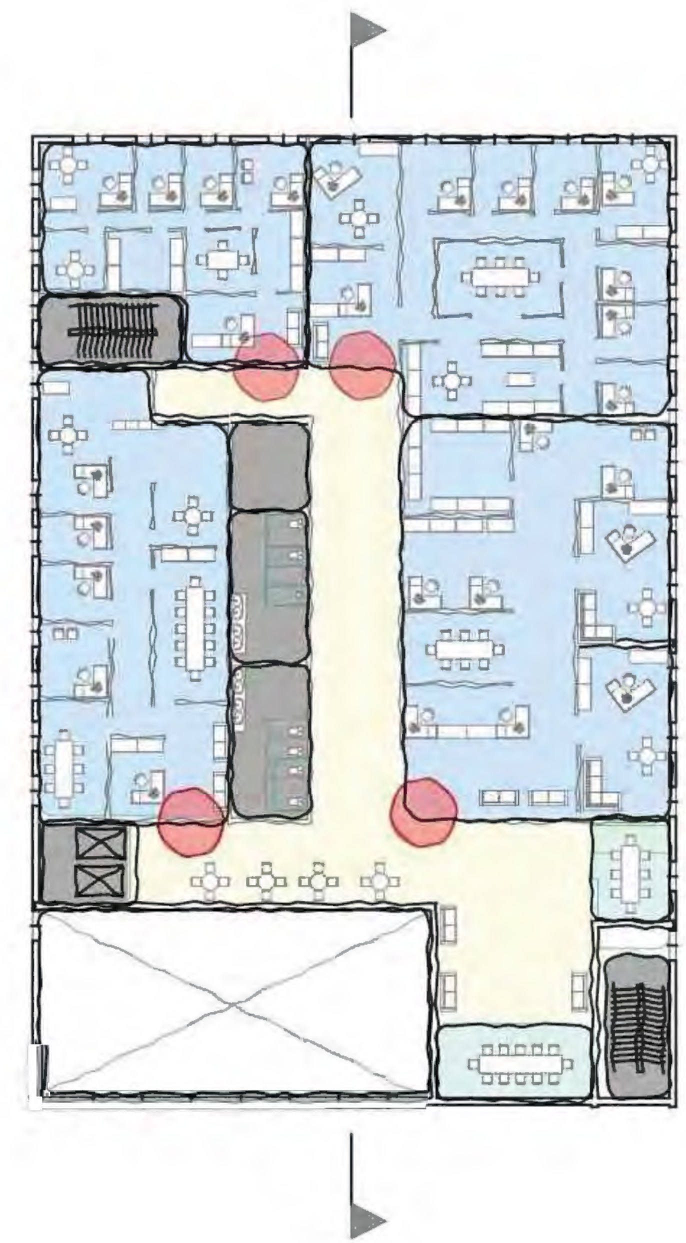


GROUND FLOOR



2ND FLOOR



3RD FLOOR

City Hall   Floor Plans

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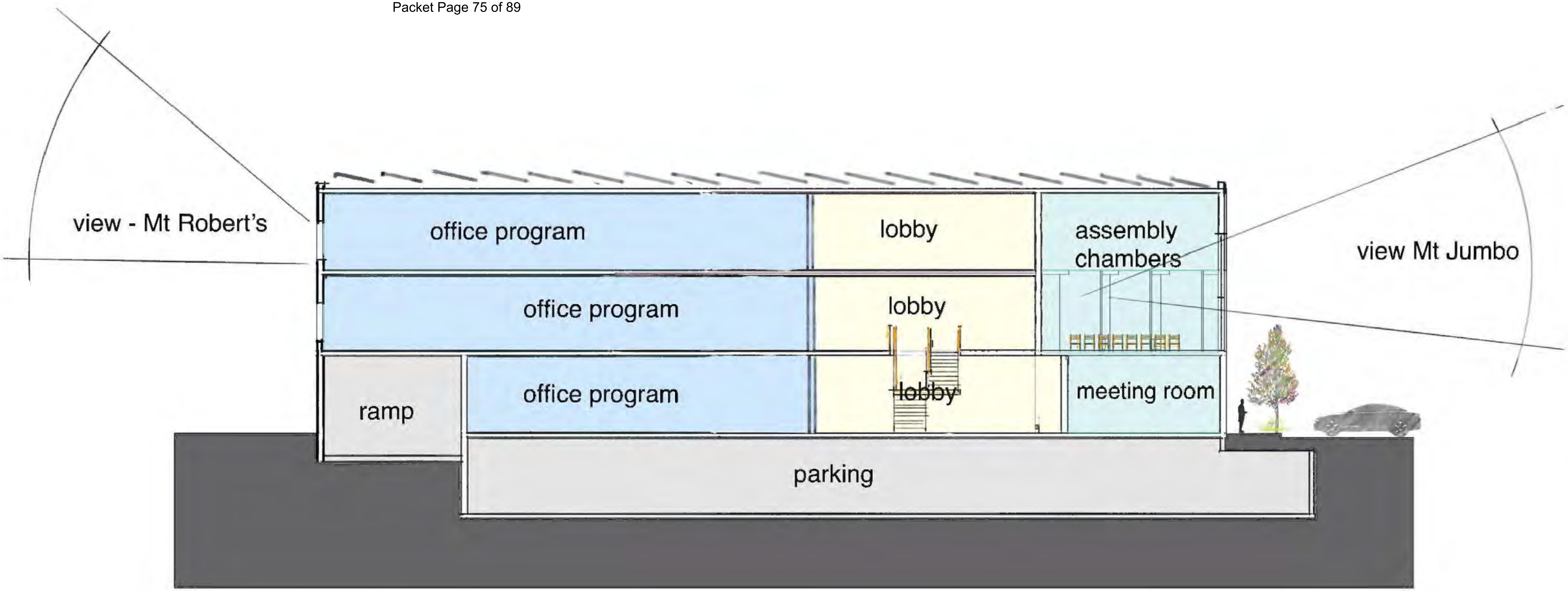

Building Section

City Halls - old and new common traits

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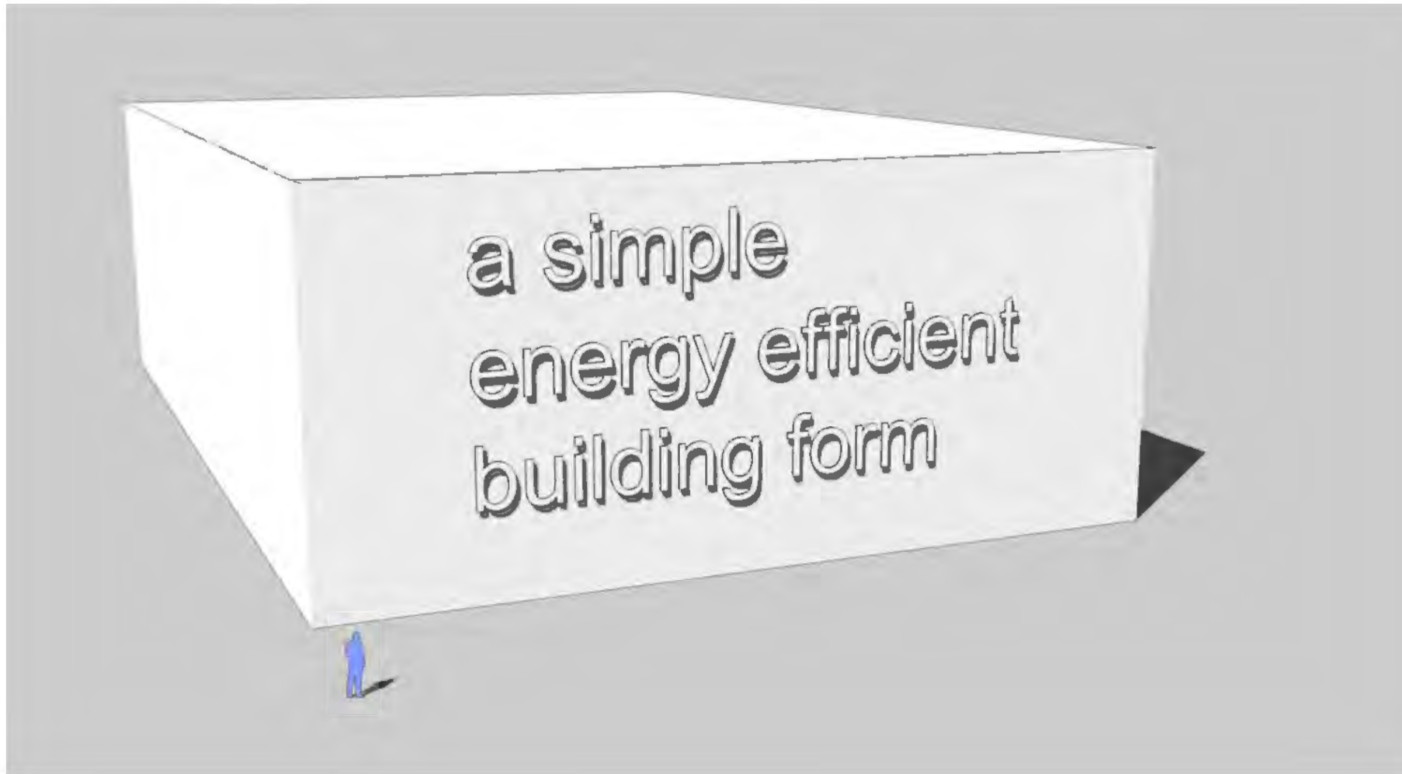
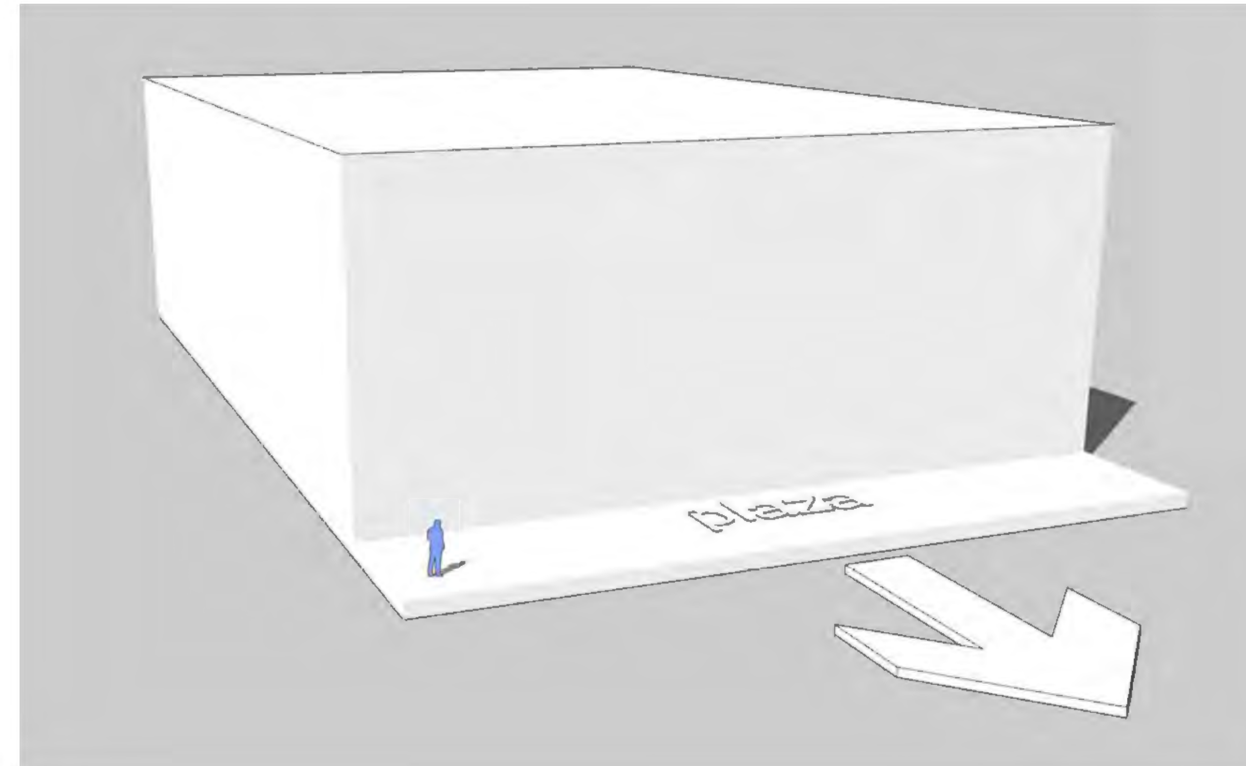
City Hall- facade development diagrams



1



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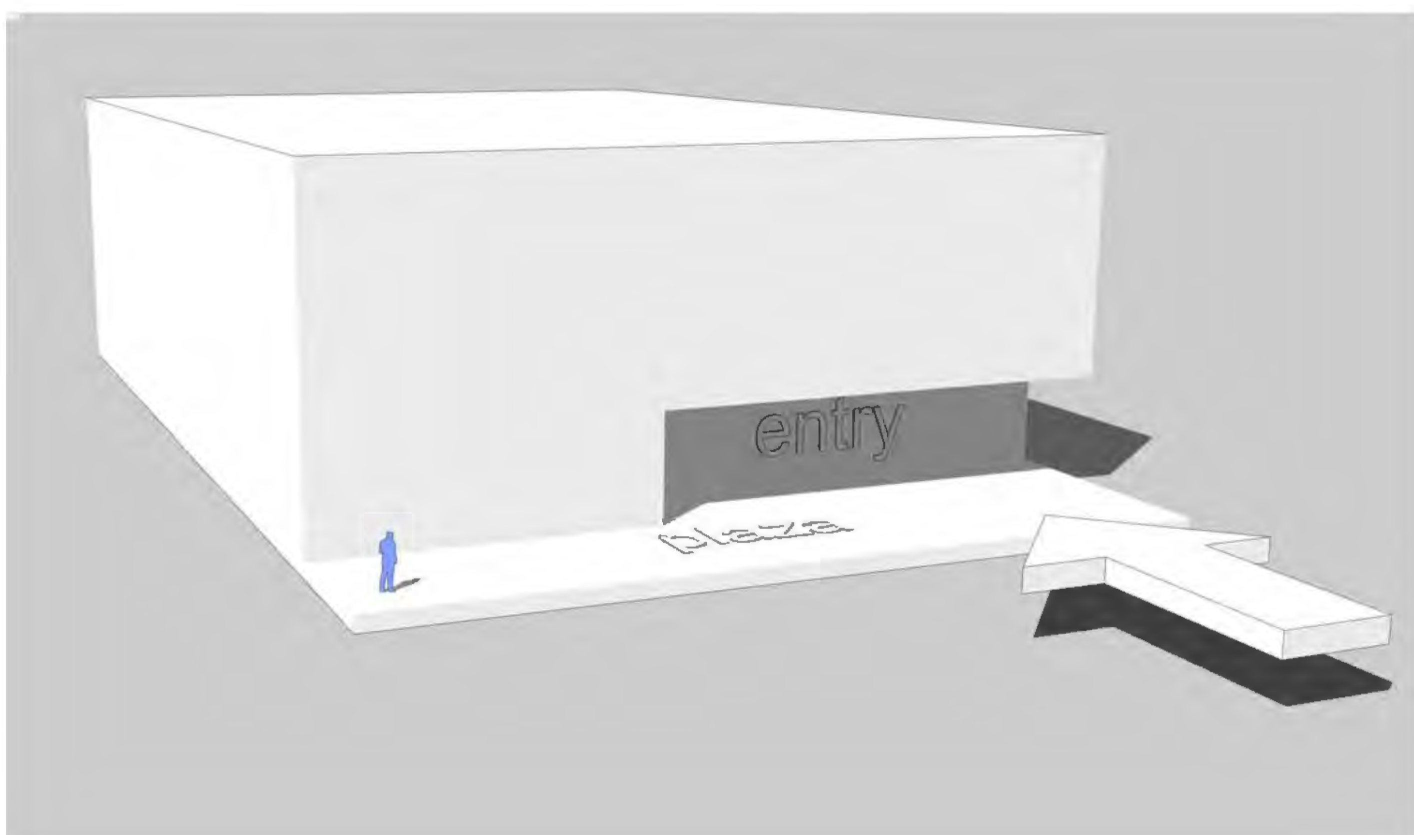

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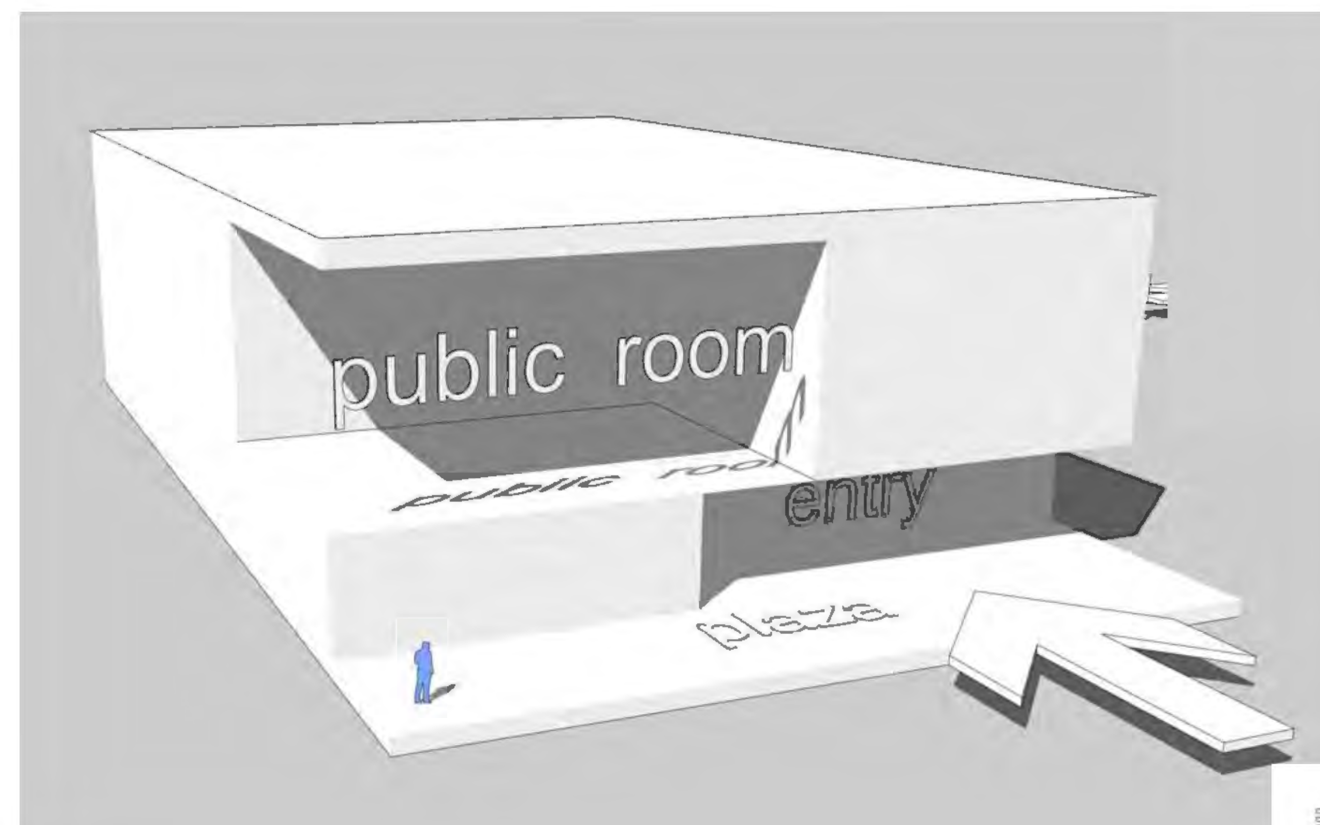

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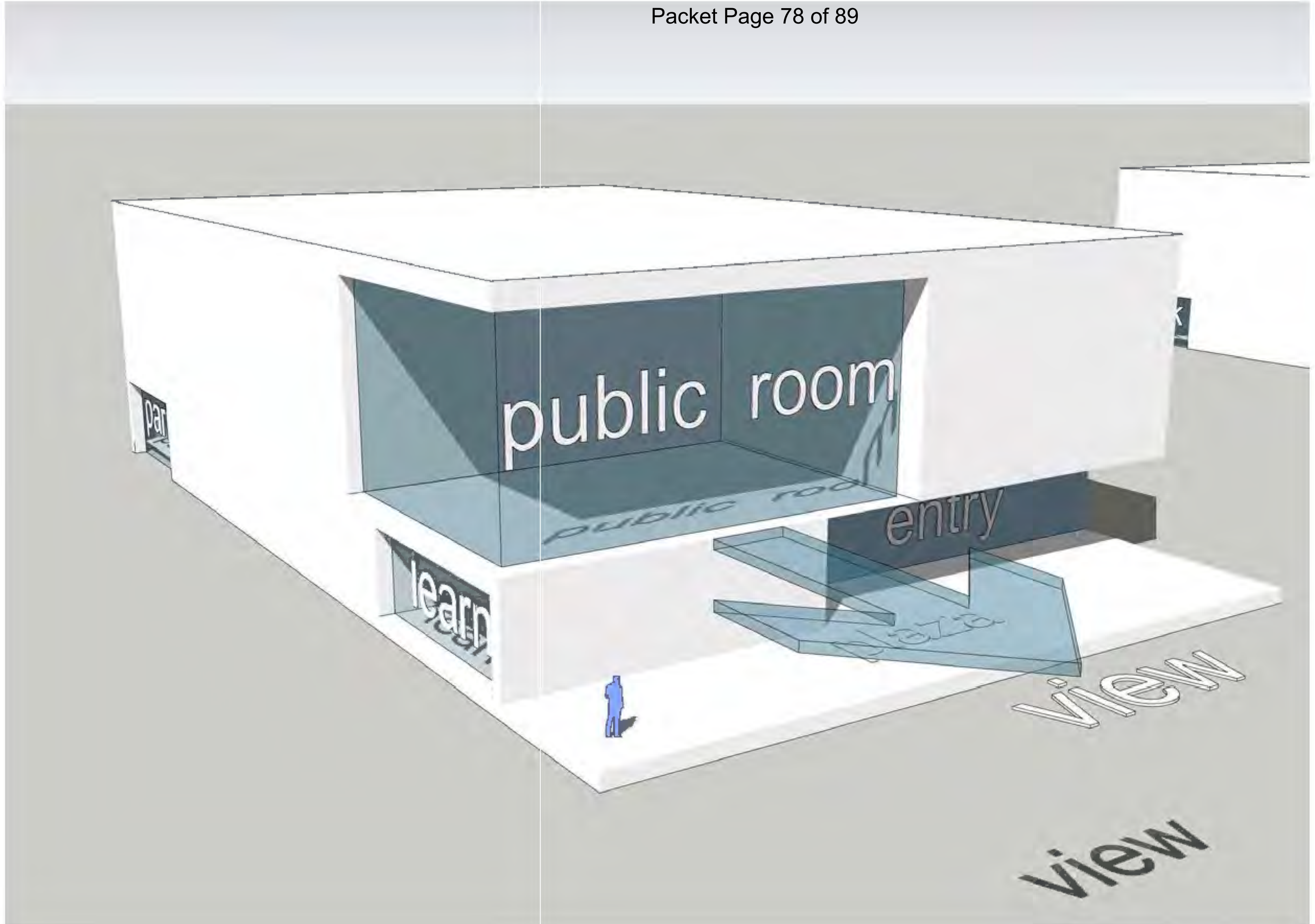
Juneau, AK 99801



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City Hall   Perspective View

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Brick

ENDICOTT MANGANESE IRONSPOT (ARTISAN)

NorthWind Architects, LLC
126 Seward Street
Juneau, AK 99801

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Front Elevation

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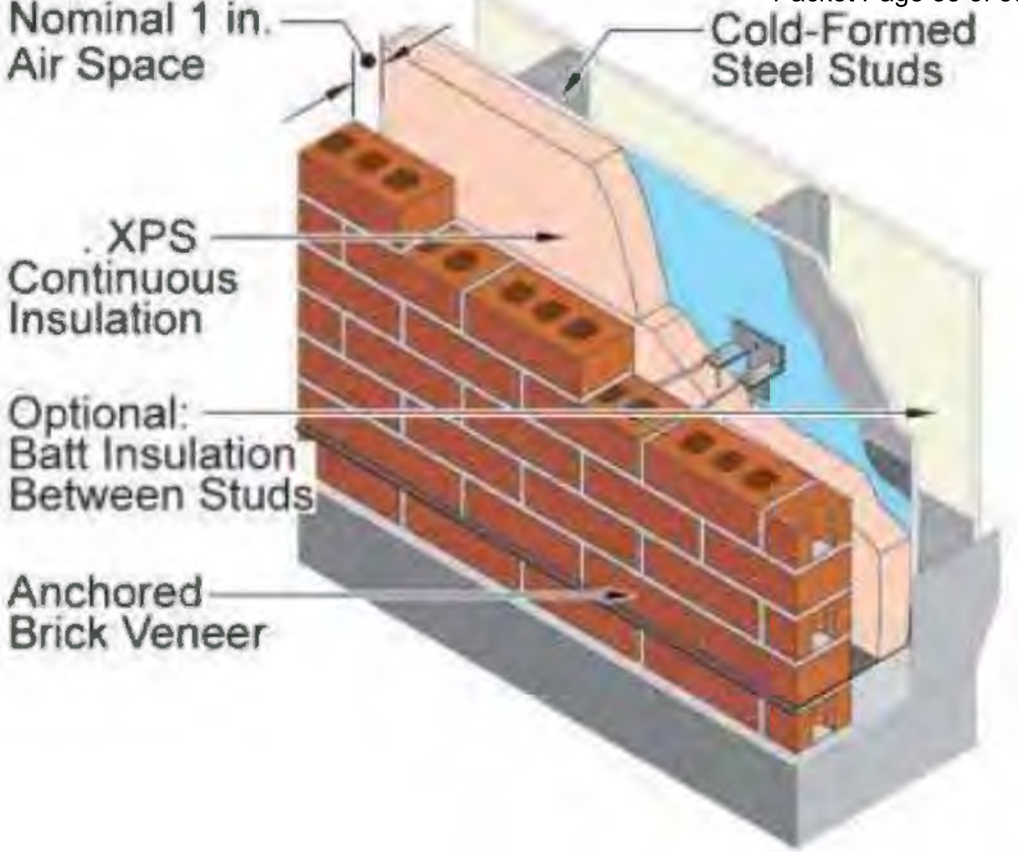
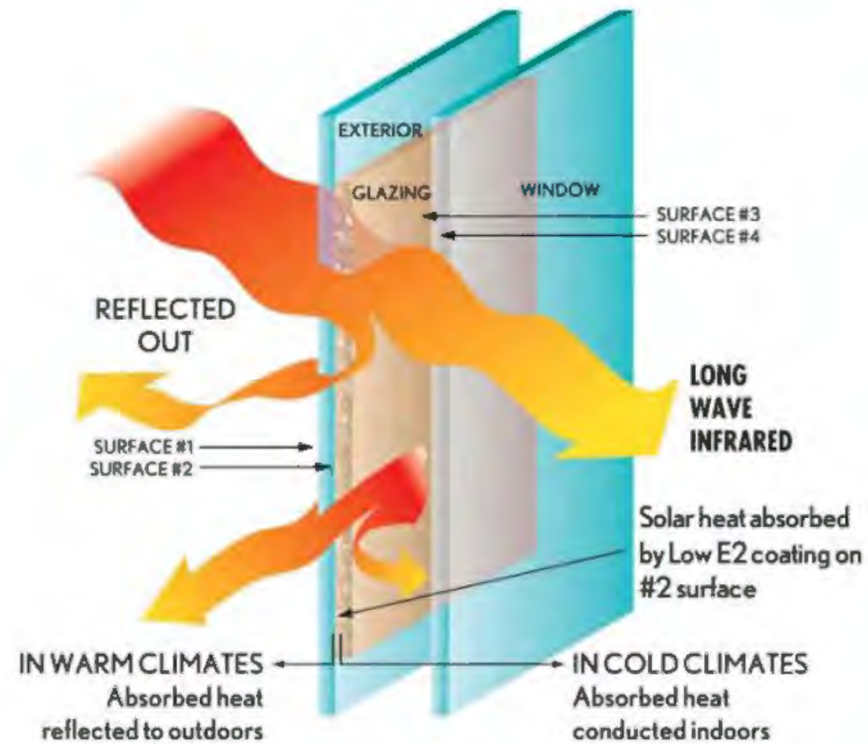
Assembly Chambers Interior Perspective

Building Energy- conservation and possible generation



High performance building envelope

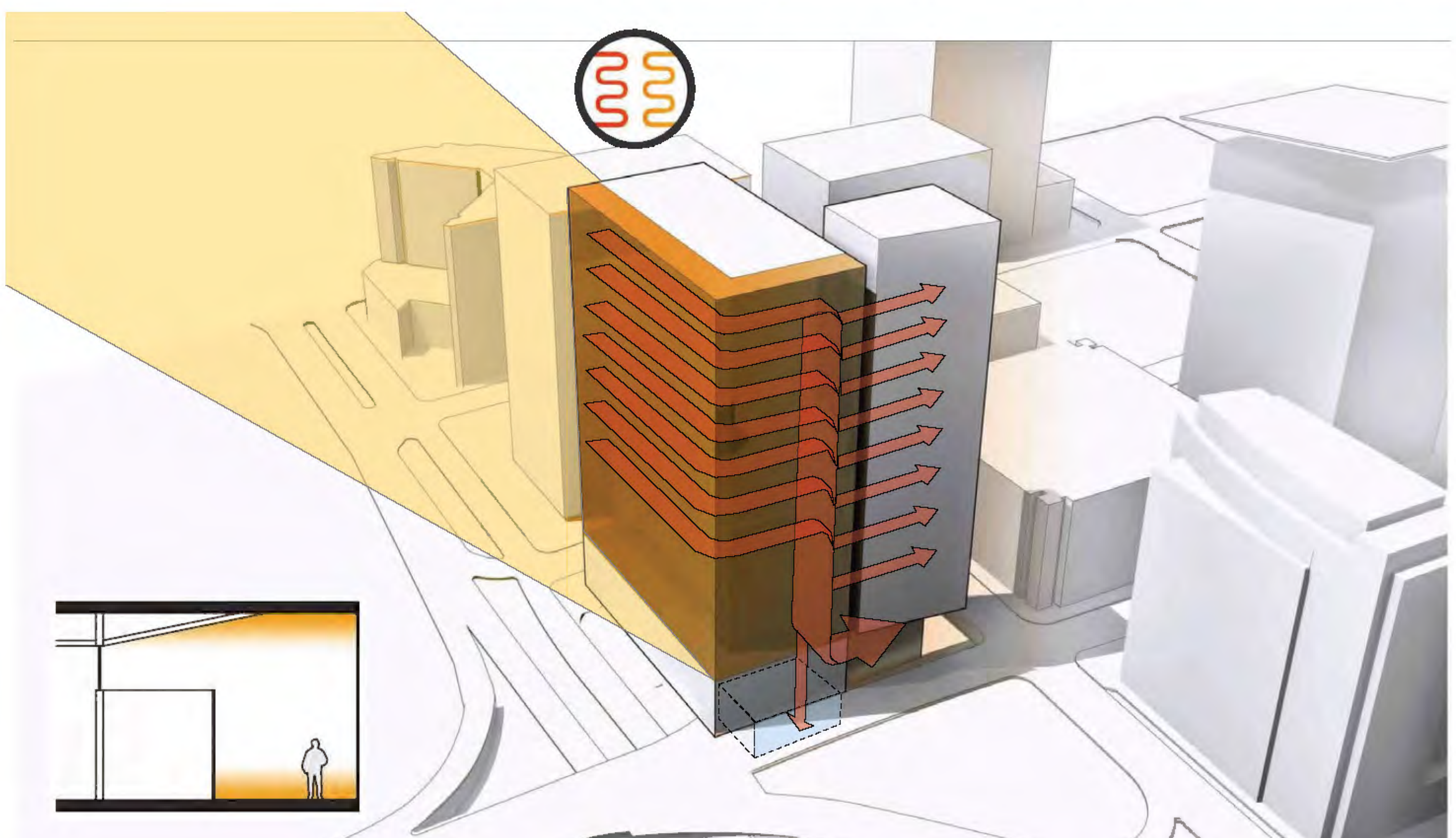


HP Glazing

LEED

LEARDERSHIP IN ENERGY & ENVIRONMENTAL DESIGN

South facing building orientation- Design the building solar



Innovative strategy example: Solar heat collection and transfer

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Juneau, AK 99801

New Juneau City Hall - Costs

450 Whittier With 2 year escalation	
Construction Cost (escalated 2 yrs @5%/yr)	$28,403,000
Development Cost	$9,515,000
Project Cost - no parking	**$37,918,000**
Add Lower Level Parking	$3,330,000
Project Costs, with basement parking	**$41,248,000**

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Juneau, AK 99801

Next Steps

Now – October 2022: Public Education and Voter Approval

- Assess cost saving opportunities with continued design:
  - Consolidation of staff into single facility
  - Impact of telework
  - Reducing program area

Parking – Further Study and Analysis

Questions and Comments?

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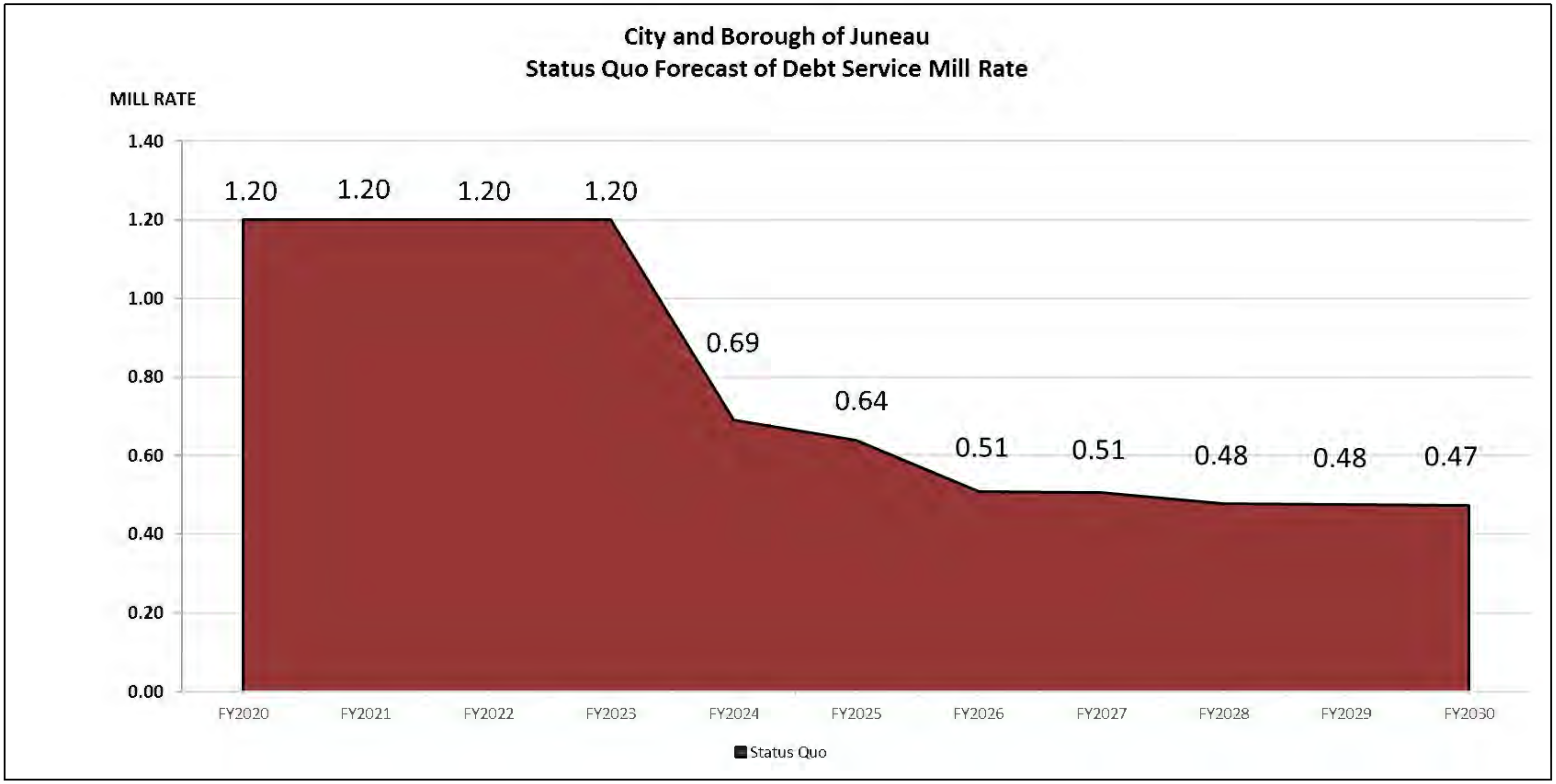
City and Borough of Juneau
Status Quo Forecast of Debt Service Mill Rate
MILL RATE
1.40
1.20
1.00
0.80
0.60
0.40
0.20
0.00
1.20
1.20
1.20
1.20
0.69
0.64
0.51
0.51
0.48
0.48
0.47
FY2020
FY2021
FY2022
FY2023
FY2024
FY2025
FY2026
FY2027
FY2028
FY2029
FY2030
Status Quo