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

January 6, 2020, 6:00 PM.
Assembly Chambers - Municipal Building

AGENDA

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. October 28, 2019 Committee of the Whole Minutes

IV. AGENDA TOPICS

A. Lego Robotics

B. Senior Housing RFP Results

C. Assembly Goals 2020

D. Assembly Role in Waterfront Leasing Process

V. ADJOURNMENT

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

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THE CITY AND BOROUGH OF JUNEAU, ALASKA
Assembly Committee Of The Whole Work Session Minutes
DRAFT MINUTES

October 28, 2019

I. ROLL CALL

Deputy Mayor Maria Gladziszewski called the meeting to order at 6:48 p.m. in the Assembly Chambers.

Assemblymembers Present: Maria Gladziszewski, Loren Jones, Rob Edwardson (telephonic), Wade Bryson, Michelle Hale (telephonic), Carole Triem, Alicia Hughes-Skandijs, Greg Smith and Mayor Beth Weldon.

Assemblymembers Absent: None.

Staff present: Deputy City Manager Mila Cosgrove, City Attorney Robert Palmer, JSD Superintendent Bridget Weiss, Municipal Clerk Beth McEwen, Chief Housing Officer Scott Ciambor, Library Director Robert Barr, Assistant Attorney Emily Wright, Assistant Attorney Teresa Bowen, CBJ Finance Director Jeff Rogers, JSD Finance Director Sarah Jahn, Code Enforcement Officer Nate Watts

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

a. July 8, 2019 Assembly Committee of the Whole Meeting Minutes
b. July 15, 2019 Assembly Committee of the Whole Meeting Minutes

Ms. Hale noted that she had some grammatical corrections to the July 8, 2019 and will provide those to the Clerk.

MOTION by Ms. Hale to approve the minutes of the July 8 and July 15, 2019 meetings with minor corrections and asked for unanimous consent. *Hearing no objection, the minutes were approved with correction.*

IV. AGENDA TOPICS

A. Child Care Committee Update

Deputy City Manager Cosgrove and Library Director Barr gave a presentation on the staff follow-up to the Child Care Committee's final report. The staff report provided data about current child care services and the gap of current services to the needs of the community as well as a myriad of options the Assembly may wish to consider to try to meet those needs.

The work done by staff since the Child Care Committee provided its report was to look at a series of options for child care models, options for economic models to address those needs, and provided some recommendations on how to city might best be able to use its resources to meet some of those

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needs. The staff review and recommendations focused on options for CBJ providing economic assistance through some of the following methods:

- Making use of CBJ owned facilities including options for using the modular units located at Floyd Dryden or at Mendenhall River Community School or use of the Mt. Jumbo facility.
- Potential tax incentives such as property tax exemptions for child care and group homes,
- Provide grants or stipends such as an increase to the Assembly grant to the HEARTS program or provide stipends to the Best Starts program if one were to operate, and
- Providing financial assistance for workforce development.

Assemblymembers asked a wide variety of questions and discussed many of the options with staff from the report and Ms. Gladziszewski noted that they could keep this issue in the Assembly COW if there are additional questions and need to discuss in further detail or they can refer this matter to the Assembly Finance Committee (AFC) for discussing the financial issues.

Mayor Weldon asked if they could get some additional information from staff on funding comparisons broken out by types of programs and number of children served for each of the options. She said that most of her questions relate to the financial data so she was willing to move this topic forward to the Assembly Finance Committee.

Ms. Hale said she would be interested in hearing more information about the comparisons between the Best Starts program vs. the provider stipend option and would like greater detail on the differences between the two different models.

Mr. Smith said he would like greater detail on the Kinder Ready program and how these models and options would prepare children for preparing for kindergarten.

Additional discussion took place on whether this should stay in the COW or be referred to AFC.

Mr. Edwardson said he too would like to hear more about the differences between the Best Starts model and the provider stipend option and felt it should continue to be held in the COW.

Ms. Cosgrove noted that she would bring the information requested back to the next COW meeting on December 2 so they have it in advance of the Assembly retreat.

B. Juneau Economic Plan (JEP) Update

Ms. Cosgrove noted that in February 2015, the Assembly adopted the Juneau Economic Plan and requested staff to provide updates periodically to the Assembly about progress on the plan. The packet contained a cover memo highlighting updates to the plan since the last report in August 2018. Highlights of projects that have been worked on included:

- Continuing to work with AK DOT/PF on a second crossing to North Douglas
- Continued work on facilities/infrastructure for Airport, Docks & Harbors, and other Public Works facilities
- Looking at tourism and the Waterfront Development Plan which has now been assigned to the Visitor Industry Task Force
- Child care issues as discussed earlier in the meeting
- Working on making land available at Vintage Park for an assisted senior living facility
- Continued work on options for a new City Hall
- Multiple projects relating to downtown development projects including Blueprint Downtown efforts, planning for the Aak'w Village District, and the Archipelago lot Docks & Harbors project

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- Housing projects including funding towards phase 2 of Housing First, the Affordable Housing Fund, and the Accessory Apartment Incentive grant program
- CBJ land has been made available for sale in the Pederson Hill and Renninger subdivisions as well as the lots on Lena point.

Ms. Cosgrove stated that the purpose of providing the updates on the JEP at this time are to assist Assemblymembers in looking forward when considering their goals at the retreat in December. Some of the plan's partners have indicated that it may be time to start looking at refreshing or updating the plan now that it has been in place for five years and that would be a topic for the Assembly to discuss and decide.

C. Housing Action Plan Update

Chief Housing Officer Scott Ciambor provided an update on the work that has been done or is currently in progress from the Housing Action Plan (HAP). While the HAP had 66 items identified, his memo provided greater detail on those programs that staff and the Assembly have been working on over the past year. Many of those were mentioned in the JEP review above including the work that the Lands staff has been doing to make land available for sale to builders, the work being done on the neighborhood plans and the Blueprint Downtown group and the progress being made towards Housing First and the Vintage Business Park assisted living project.

Ms. Gladziszewski asked with all the work that the city has been doing on many fronts if he could explain why the housing and rental prices are still so high and the vacancy rate still so low. She asked if that might have to do with the short-term rental market such as Airbnb and VRBO having an effect on housing availability. Mr. Ciambor explained that this trend is not something unique to Juneau and if they looked at housing markets across the western United States, they would see similar housing market issues.

Members then discussed the efforts and continued support for the strategies staff has been working on which include:

- Senior living project at Vintage Business Park
- Continued sale of CBJ land for home building by the Land Division
- Continued funding towards the Affordable Housing Fund and the Accessory Apartment Incentive grant program.

Assemblymembers asked Mr. Ciambor to provide additional information regarding the impacts of short-term rentals on the Juneau housing market and to continue to provide updates to them on the HAP projects.

V. ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 9:03 p.m.

Respectfully submitted,
Beth McEwen, MMC
Municipal Clerk

MEMORANDUM

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY
HOUSING PROGRAM
155 S. Seward St. Juneau, Alaska 99801
Scott.Ciambor@juneau.org
Voice (907) 586-0220
Fax (907) 586-5385

Date: January 6, 2020
TO: Committee of the Whole
FROM: Scott Ciambor, Chief Housing Officer

Re: Senior Assisted Living Project Negotiations with Torrey Pines Development

Consistent with *CBJ53.09.250*, the Manager entered into post bid negotiations with Torrey Pines Development and with this memo provides terms for the Assembly to consider. (CBJ sealed competitive bid documents)

Summary of Actions to Proceed:
This Memorandum lists in some detail the proposal and terms recommended by the Manager. To proceed, the Assembly would be required to pass an Ordinance authorizing a fair market value sale and an Ordinance authorizing a grant of $2M.

Senior Housing Assisted Living Project Description
Torrey Pines Development submitted a proposal for 80 units (88 beds) of assisted living and memory care with a wide range of proposed senior services and amenities. Unit mix includes a combination of Medicaid eligible and private pay beds with studio and 1-bedroom options for assisted living and private and semi-private beds for Memory Care. Total project costs for development and pre-opening was estimated at $31,802,807.

The timeline for development and construction is estimated to be between 21 and 26 months with construction set to begin roughly 7 months after agreements are finalized.

Land Purchase and Other Incentives
In the sealed competitive bid packet, proposers were asked to include lease term or land purchase details and were eligible to include incentive requests in the narrative. After negotiations with Torrey Pines Development, the terms and incentives include:

1. **Land disposal with Deferred Payment Schedule**
   Torrey Pines Development proposes a land sale period of twenty years as follows:

   Proposed terms of the sale:
   No payment for the first 36 months, followed by:
   Monthly Payment of $4,430 for 84 months (7 years), followed by:
   Monthly Payment of $12,658 for 120 months (10 years).

2. **Tax Abatement**: Torrey Pines Development expects to fully utilize the incentive established by the recently adopted Ordinance Providing for a Property Tax Abatement Program to Incentivize the Development of Assisted Living for Senior Citizens (Ord. serial No. 2019-23) in July 2019 and will be eligible upon receipt of a certificate of occupancy.

3. **CBJ Grant**: Torrey Pines Development requests a $2 million grant to assist with overall construction costs, to help attract equity capital, and to ensure that rental rates for seniors remain low for potential residents. The grant would assist the overall viability of the project.

   Without the grant, it is estimated that in order to meet financial projections, room rental rates would be 20-25% higher than indicated in the proposal. If this happened, the rates would be too high for most prospective tenants and development of the project would not proceed.
   a. Staff recommend that the source of the $2 million grant be split between General Fund dollars and the Juneau Affordable Housing Fund.
      i. $1.6 million in General Fund; and
      ii. $400,000 grant from the Juneau Affordable Housing Fund covering the 8 Medicaid eligible beds at $50,000 per unit.

Recommendation

The 2014 Juneau Housing and Services Market Demand Study noted a high demand and need for assisted living units in the community (327 units by 2042). The report also indicated that due to high construction and land costs, and a location in an isolated market, that CBJ assistance in a public/private partnership would be necessary.

The Manager recommends land sale and grant appropriation ordinances be forwarded to the Assembly for public hearing and action.

Senior Assisted Living Project Negotiations with Torrey Pines Development
Potential Questions & Answers
January 6, 2020

Torrey Pines Development submitted a proposal for 80 units (88 beds) of assisted living and memory care with a wide range of proposed senior services and amenities. The proposal includes land lease and purchase terms and a grant request of $2 million. Below are likely questions about the proposal and process.

CBJ Goals and Objectives

1. How does the project proposal meet community goals and objectives?
    a. The Juneau Senior Housing and Services Market Demand Study recommends public/private partnership to generate assisted living/memory care beds in the short and long-term;
    b. The CBJ Housing Action Plan identifies that “dramatic actions” are likely necessary and recommends spending of up to $50K per unit for housing development in Juneau to counter a “stuck” market. The Torrey Pines Development proposal is for $2 million for 80 units. The addition of 80 units of housing assists with overall housing supply concerns by creating more housing opportunities in Juneau.
    c. The Juneau Economic Development Plan recommends initiatives to “build the senior economy” that includes development of a range of housing options and supportive services like assisted living and memory care in the Torrey Pines proposal.
        i. The estimated total cost of the project is $32M during the construction and pre-opening phase that will provide local investment and job opportunities. The post-opening budget notes a total daily employee target of 47 upon full lease-up.
        ii. Construction activities would also be positive for the economy.
        iii. SB 100 passed by the Legislature and signed by the Governor in 2017 authorizes municipalities to allow tax abatement for economic development purposes. This project meets the tax abatement Ordinance adopted by CBJ in 2019.

General Project Risks

1. What are the risks to Torrey Pines Development in the project proposal?
   Torrey Pines Development faces many risks including:
    - Construction costs exceed estimates;
    - Economic contraction delays lease up schedule;
    - Lease up schedule is too optimistic;
    - Global markets cause escalation in construction material pricing;
    - Disruption in financial markets worsen marketability of units; and more.

2. What are the outcome risks to the CBJ in the project proposal?
    - Developer is selected does not proceed with construction:

  - Housing and assisted living goals won't be met;
  - Land lays vacant;
- Project proceeds and then goes into some form of bankruptcy in middle of construction or after completion. CBJ may be in a weak position to re-negotiate, may not recoup purchase price of land.

Land Lease and Purchase Agreement Ordinance

Torrey Pines Development proposes to purchase the property with a deferred payment schedule.

1. What happens if the developer doesn't purchase the land?
    - Housing and assisted living goals wouldn't be met;
    - CBJ would be in a contract to sell the land and would receive payments or would have to renegotiate or pursue default;
    - The present value of the stream of purchase payments slightly exceeds the purchase price (assuming a discount rate similar to CBJ's investment returns).

2. What would the CBJ do with the stream of payments?
    - In accordance with Title 53, the lease payments would automatically go into the Lands Fund, unless the Assembly decided otherwise (by Ordinance). Deposit into the Juneau Affordable Housing Fund is a likely option.

Grant and Appropriation Ordinance

Torrey Pines Development requests a $2 million grant to assist with overall construction costs, to help attract equity capital, and to ensure that rental rates for seniors remain low for potential residents. The grant would assist the overall viability of the project.

1. How do we insure that the grant funds result in a complete project?
    - Grant fund disbursements would be made along with a schedule of values as the facility is constructed;
    - CBJ would require reports, records, or audits supporting design, engineering, and construction costs. CBJ would require an annual report, if necessary, and upon a completion a final report noting expenditures that utilized CBJ funds.

2. What happens if the developer doesn't fill Medicaid beds as proposed? How will that process work?

    Torrey Pines Development has proposed that 8 beds be allocated to Medicaid clients unless no Medicaid clients are interested. The Developer has agreed to keep a waiting list.

In the event that Medicaid beds are not filled as proposed, the Developer has indicated that the CBJ tax abatement benefit be held as the guarantee. (*Ord No. 2019-23 An Ordinance Providing for a Property Tax Abatement Program to Incentivize the Development of Assisted Living for Senior Citizens.)* The tax abatement period is for a period of twelve consecutive years from receipt of a certificate of occupancy.

3. How do we know that $2M is an appropriate amount of Government support?

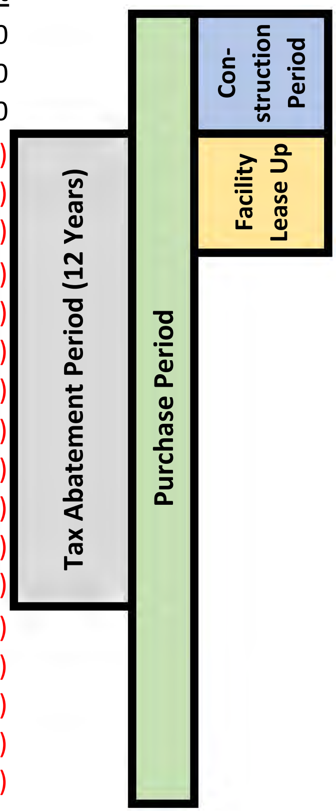
   - Without the grant, it is estimated that in order to meet financial projections, room rental rates would be 20-25% higher. If this happened, the rates would be too high for most prospective tenants and development of the project would not proceed.
   - CBJ Plans: Juneau Senior Housing and Services Market demand Study, Housing Action Plan, and Juneau Economic Development Plan indicate a need to invest resources in public/private partnerships -- up to $50K per unit for housing development in Juneau. This project proposal is for $2 million for 80 units. ($25k/unit)
   - Leveraging: In affordable housing terms, municipal funds leveraged for additional outside investment is a key indicator. In this case $2 million in CBJ funds are being leveraged for roughly $32 million in investment. (85% in outside investment)
   - After multiple years and numerous project attempts by multiple developers, this level of investment has been repeatedly indicated as necessary to incentivize a project.

4. What would happen if the CBJ proposed less support for the Torrey Pines Development senior housing assisted living project proposal?

   - It is an option for the CBJ to enter into further negotiations.
   - Less CBJ support provided would mean additional costs will be passed onto residents through rent. Increasing rents further adds to the risk of filling beds and for long-term project sustainability.
   - The facility could be built to a lesser standard resulting in some or all of the following: smaller rooms, cheaper construction, smaller common areas, higher maintenance or operating costs. These changes would affect the lease up rate and/or the desirability of development.
   - The project would likely be delayed, missing an upcoming construction season, and potentially would not go forward.
   - Further delay will only see construction costs/needed investment rise.
   - Based on the sealed competitive bid process and the proposals by multiple developers over the last 6 years it is unlikely that CBJ would see new/better/different proposals from other developers.

Vintage Park Property Sale Payment Schedule

Year	Payment
1	0
2	0
3	0
4	($53,160)
5	($53,160)
6	($53,160)
7	($53,160)
8	($53,160)
9	($53,160)
10	($53,160)
11	($151,900)
12	($151,900)
13	($151,900)
14	($151,900)
15	($151,900)
16	($151,900)
17	($151,900)
18	($151,900)
19	($151,900)
20	($151,900)



Present Value: $1,542,505

Sum of Payments: $1,891,120

Discount Rate: 1.50%

Land Purchase Price Paid $1,519,000

Presented by:
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-05 COWv3

An Ordinance Authorizing the Manager to Dispose of Eight Lots in the Vintage Business Park, Located near 3041 Clinton Drive, to Torrey Pines Development for Fair Market Value.

WHEREAS, a 2014 study identified that assisted living, primarily for seniors, was a gap in the continuum of care in Juneau and demands for assisted living facilities would increase dramatically over the next three decades; and

WHEREAS, on August 19, 2019, the CBJ acquired the eight lots for $1.519 million (#2019-003599-0); and

WHEREAS, the CBJ solicited proposals to develop assisted living, primarily for seniors, on the eight lots; and

WHEREAS, Torrey Pines Development proposes to develop 80 units (88 beds) of assisted living and memory care with a wide range of proposed senior services and amenities; and

WHEREAS, the proposed units include a combination of Medicaid eligible and private pay beds with studio and 1-bedroom options for assisted living and private and semi-private beds for Memory Care, with a total project cost of approximately $32 million; and

WHEREAS, the Manager informed the Assembly Committee of the Whole on December 9, 2019, that Torrey Pines Development was the best bidder and the CBJ would initiate negotiations consistent with CBJC 53.09.250(b); and

WHEREAS, the Assembly Committee of the Whole reviewed the status of negotiations on January 6, 2020.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Authorization of Sale. The Manager is authorized to sell the following real property subject to the following essential terms and conditions:

(A) **Property Description.** The property is described as all in the Juneau Recording District, First Judicial District, State of Alaska, constituting approximately 2.35 acres, and further described as follows:

1. Lot 31A, Block C, according to Plat 2016-19, and subject to the terms and provisions of the Access Easement and Option Agreement between Pacific Investment Group LLC and Juneau Senior Housing Partners Limited Partnership recorded April 20, 2018 (#2018-001676-0) and together with the easement for ingress and egress in favor of Lot 31A, Block C, across a portion of Lot 26A, Block C Vintage II Subdivision according to Plat 2016-19; and

2. Lots 32, 33, 34, 35, 36, 37,and 38 Block C, Vintage II Subdivision according to Plat 85-58;

3. Subject to reservations, exceptions, easements, covenants, conditions, and restrictions of record, if any.

4. Any lot consolidation required due to the assisted living development plan will become the legal description for this ordinance.

(B) **Sale**. The sale encompasses the eight parcels described in Section 2 paragraph A.

(C) **Lot Consolidation**. Buyer shall pay for all costs associated with any required lot consolidation (CBJC 49.15.403) to develop the assisted living facility.

(D) **Use of Premises**. Buyer agrees to use the land for the sole purpose of an assisted living facility consistent with the competitive bid proposal.

(E) **Purchase Payment Schedule.** The first thirty-six months of payments are deferred. Buyer shall purchase the property over a twenty-year term as follows: 1) equal monthly payments of $4,430.00 totaling $53,160.00 per year for years four through and including year ten; and 2) monthly payments of $12,658.00 totaling $151,896.00 for years eleven through and including year twenty which is the fair market value of the property.

(F) **Taxes**. Buyer shall be responsible for any and all taxes related to or arising out of the possessory interest and for the improvements on the premises.

(G) **Hold Harmless**. Any purchase and sale agreement shall require the Buyer to indemnify, defend and hold harmless the City and Borough, its officers and employees, volunteers, consultants and insurers for any claim related to or arising out of Buyer's use, operation, or maintenance of the premises during the term of this sale.

(H) **Costs**. The Grantee is responsible for all closing costs and fees, including but not limited to title company fees, recording fees, and surveying.

(I) **Title Insurance**. A title insurance policy shall be obtained, paid for by Grantee.

(J) **Type of Deed**. The property shall only be conveyed with a quitclaim deed.

(K) **Option to Buy**. The Buyer may elect to complete early purchase of the property by paying in advance at any time.

(L) **Other Terms and Conditions**. The Manager may include other disposal terms and conditions as the Manager determines to be in the public interest.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this ____ day of ________________, 2020.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Introduced: January 13, 2020
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-06(Q)

An Ordinance Appropriating to the Manager the Sum of $2,000,000 as Funding for the Assembly's Senior Assisted Living Grant; Funding Provided by the General Fund's Fund Balance, and the Juneau Affordable Housing Fund's Fund Balance.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of $2,000,000 as funding for the Assembly's Senior Assisted Living Grant to partially fund the construction cost of a senior assisted living facility.

Section 3. Source of Funds

General Fund's Fund Balance	$1,600,000
Affordable Housing Fund's Fund Balance	$ 400,000
Grand Total	**$2,000,000**

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this ________ day of ____________, 2020.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Vintage Business Park Senior Assisted Living

Housing and Care Community Proposal

November 21, 2019

Contact Information
Torrey Pines Development Group, LLC
Matthew Parks
(858) 335-1817
mp@torreypinesdevelopment.com

November 21, 2019

City and Borough of Juneau
Attn: Mr. Scott Ciambor
155 S. Seward St.
Juneau, Alaska 99801

RE: VINTAGE BUSINESS PARK ASSISTED LIVING PROPOSAL

To Whom It May Concern:

We are pleased to present our proposal for the development of an assisted living facility at Vintage Business Park in Juneau, Alaska. Torrey Pines Development Group and Bayshire Senior Communities have worked together to develop and operate many assisted living projects, including ground up assisted living projects similar to the one proposed. We have a comprehensive vision for the land at Vintage Business Park, and we have a strong commitment to the success of this facility. Our proposal takes into consideration essential senior care development and operating principles, and we look forward to working with the CBJ in a public/private partnership that will greatly benefit the community.

Torrey Pines Development Group and Bayshire Senior Communities both have the financial capability and requisite experience to ensure a success development and lease up of the facility per the enclosed proposal. We have a long history of successful assisted living developments with a thorough understanding of the opportunities and challenges presented by such a project. We are prepared to individually and collectively guarantee the performance of the development financing and any required agreements with the City and Borough of Juneau.

Our proposal is the product of a long history and extensive experience working in the senior care industry in various U.S. cities. Our proposal involves an ambitious development of the entire site and is financially feasible with some economic incentives provided by the City. All information contained herein is deemed true and correct, except in the case of projections, which are to be treated as such.

We hope the following proposal portrays both our vision and our capability to bring this exciting project to fruition. We look forward to discussing the near and long-term benefits to CBJ and the community of Juneau, and we look forward to being selected as development partners in this tremendous opportunity.

Best regards,

Matthew Parks, President
Torrey Pines Development Group, LLC

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Part Four: Incentives and Proposed CBJ Contributions

Exhibits

PART ONE: QUALIFICATIONS

Riverview Senior Community will be a much-needed senior care assisted living facility created through a strategic public/private partnership between Torrey Pines Development Group, and the City and Borough of Juneau. The development team is a collaboration between several professional firms who have vast industry experience and expertise in their various disciplines.

The core development team consists of the following firms:

Developer:	Torrey Pines Development Group
Operator:	Bayshire Senior Communities
Architect:	Northwind Architects
Contractor:	Dawson Construction

TORREY PINES DEVELOPMENT GROUP

Torrey Pines Development Group is a for-profit real estate investment and development company established as a limited liability company (LLC) established in the State of Delaware and headquartered in California. As a real estate development firm Torrey Pines Development Group specializes in senior care assisted living development. Torrey Pines Development Group is a partnership of passionate individuals. We view our careers as opportunities to create monuments of lasting value, places and environments that enhance the way people live, and help people to improve quality of life. Our experience spans a wide scope of projects throughout many parts of the United States. This includes senior care, mixed-use, retail, single and multi-family residential uses, and a variety of special use projects. At Torrey Pines Development Group we manage the development process from beginning to end, including project feasibility, acquisition and disposition, finance, architecture and engineering, entitlements, project management, asset management and construction.

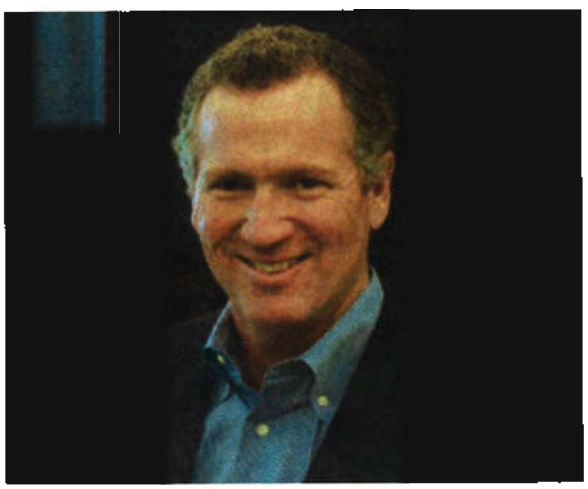
The Torrey Pines Development Group team has extensive experience in development and finance, and have completed more than 50 projects in various states. We value the principles of smart growth and as such, our corporate objectives are threefold:

1. To provide opportunities for seniors to receive compassionate care and vital resources to improve quality of life;
2. To create quality living spaces for seniors with immediate access to amenities that will help them live a vibrant life;
3. To plan and develop with a sense of environmental and cultural stewardship.

Matthew Parks, President

Matthew leads all operational activities in the development, construction, and consulting aspects of the company. Matthew oversees all acquisitions and development activities. He has 20 years of experience in real estate investments and development with a broad background in multifamily, single-family, retail, and senior care projects.

Matthew has worked closely with local municipalities and redevelopment agencies to form public/private partnerships to generate political and financial support for his projects. Matthew also serves as the chairman of the board of directors for Affordable Senior Housing Foundation, a California nonprofit whose mission is to provide quality care and resources for seniors who otherwise cannot afford assisted living expenses. He holds a Bachelors Degree in Finance from Brigham Young University, and a Masters Degree in Real Estate from the University of San Diego.



Tom Sutton, CEO

Tom oversees all asset management, investments, and financial activities within the company. Tom is a proven leader with drive and vision. He is a founding principal of Torrey Pines Development Group, and he brings over 30 years of experience in real estate planning, finance and complex deal structure to the team.

Tom's experience includes working with some of the nation's largest real estate investors and he has achieved success in investing and managing his own personal portfolio of real estate and senior care properties. He has purchased, repositioned, and sold hundreds of multifamily and self-storage units, in additional to building a portfolio of senior care assisted living properties. Tom holds a Bachelors Degree in Finance from Brigham Young University.

BAYSHIRE SENIOR COMMUNITIES

As a small, boutique-style senior healthcare manager, Bayshire Senior Communities provides world-class care and hospitality to its senior residents and gives owners results that exceed their expectations. Bayshire operates senior living communities in a way that enriches the lives of its residents and staff alike by fostering an environment where seniors can age with dignity, feel loved and cared for, and are supported in their individual religious and cultural practices.

Bayshire has a reputation for retaining the best administrators and employees in the industry. Bayshire employees make it a point to remember names and know each resident personally. They understand that trust is built through consistency and compassion, the touch of a hand, a look in the eye, a smile. Staff members feel the joy that comes from making life better for others.

Finding and supporting executive directors who lead by example is key to Bayshire's success. They are seasoned leaders — often with skilled-nursing-facility experience — who have a solid clinical foundation to complement their financial and operations expertise. Above all this, they are good-hearted by nature.

Scott Kirby, CEO

As CEO of Bayshire Senior Communities, Scott oversees the operational activities of all facilities. Scott has been working in senior health care since 2006. He began his career as an administrator in skilled nursing facilities, and quickly developed a love and a passion for creating an environment where both staff and residents thrive. Throughout his career as both an administrator and an executive, Scott has cherished the opportunity to make a real difference in people's lives.

Prior to founding Bayshire Senior Communities, Scott worked as an executive leader with several of the largest skilled nursing and assisted living companies in the country and has helped navigate those companies through evolving regulations and constant change. Scott is a licensed certified public accountant and holds a bachelor's degree in accounting from Southern Utah University, and received his MBA from Brigham Young University.

NORTHWIND ARCHITECTS

NorthWind Architects, LLC is a Juneau based partnership pursuing excellence in architecture, planning, project coordination, and construction administration. With three principal architects, NorthWind has a rich history of public and private design experience throughout Alaska and Oregon. We provide quality architectural design and design services on all projects. We value close working relationships with clients and are committed to delivering projects on time and on budget.

The NorthWind practice is a living part of the communities in which we work. We actively participate in shaping our environment and how we all live together now and in the future. Our motivation is to serve the public's best interest. This reaches the essence of Architecture in a much deeper and enriching way than any singular building or project. Our storefront location in downtown Juneau offers an open and available community studio where anyone is welcome to wander in, browse our library and ask questions about design.

Alaska is a truly amazing place to live, though it can be a difficult place to build. The surrounding mountains and glaciers are simultaneously awe inspiring and humbling. This is the mindset we carry to the studio each day: inspired to do good work and motivated by the challenge of shaping our communities to enhance life in the north.

James Bibb, Partner

James is Principal Architect and Partner at NorthWind Architects and a licensed architect registered in the State of Alaska. He is a life-long Juneau resident who has practiced architecture since 1989. Most of his experience has been in Southeast Alaska but he has also worked in Washington and Oregon as well as three years of international work in Denmark, Switzerland and Sweden. James studied architecture at both the University of Oregon and at the Arkitektskolen in Aarhus Denmark.

His interest in northern architecture has helped to develop a regionalist understanding of our own place here in Southeast Alaska which instructs the built environments we create.

Sean Boily, Partner

Sean is Principal Architect and Partner at NorthWind Architects, a licensed architect in the State of Alaska and a lifelong Alaskan. Having practiced architecture in Alaska since 1994, Sean has developed a broad resume of project experience in all corners of the State. Sean values excellent design that positively affects how we live. In his practice it is his mission to facilitate the creation of architecture that successfully responds to both the physical and social environments. Implicit in this vision is design for longevity in our evolving social landscape and rigorous regional climates.

As a parent of two children and concurrently supporting care for two aging parents, Sean is deeply committed to our vital community infrastructure projects in Juneau and Alaska.

DAWSON CONSTRUCTION

Dawson is a full-service general contractor. Dawson is distinguished in the construction industry through providing exceptional value in a professional and proactive manner. Dawson will serve as a design consultant throughout the design process, which will help to minimize construction cost and maintain realistic budget expectations. Once project design is complete it is then anticipated that Dawson will act as the general contractor to construct Riverview Senior Community.

A relevant example of this Contractor -Design Team relationship is seen in the successful delivery of Trillium Landing senior housing on the adjacent Vintage Park site, completed by the Dawson/NorthWind team in 2017.

Torrey Pines Development Group and Northwind architects will select other needed design consultants and engineers based on their industry experience and local knowledge of building codes and requirements. Team members will likely include the professionals knowledgeable of the existing site conditions, having worked with NorthWind on both Trillium Landing and the early development effort for the Riverview Senior Community.

ASSISTED LIVING PORTFOLIO

Following is a sampling of senior care facilities developed by Torrey Pines Development Group and operated by Bayshire Senior Communities.

Project Name:	Felicita Vida Senior Living
Project Type:	New Construction
Product Mix:	91 Units/ 123 Beds
Size:	80,000 SF
Project Cost:	$29,000,000

FELICITA VIDA
SENIOR LIVING

FELICITA VIDA
SENIOR LIVING

FELICITA VIDA
SENIOR LIVING

Heritage Hills

OF OCEANSIDE

A Senior Memory Care Community

Project Name:	Heritage Hills of Oceanside
Project Type:	New Construction
Product Mix:	48 Units/ 64 Beds
Size:	38,000 SF
Project Cost:	$19,000,000

Vista del Lago

A SENIOR MEMORY CARE COMMUNITY

Project Name:	Vista del Lago
Project Type:	Renovation
Product Mix:	54 Units / 96 Beds
Size:	36,000 SF
Project Cost:	$14,500,000

Vista del Lago
A SENIOR MEMORY CARE COMMUNITY

Vista del Lago
A SENIOR MEMORY CARE COMMUNITY

PART TWO: LAND USE PROPOSAL

PROPOSED DEVELOPMENT

The Vintage Park property currently owned by the City and Borough of Juneau presents a tremendous opportunity to serve the seniors of Southeast Alaska. The need for a new care facility for CBJ seniors is immense, as has been noted in multiple market studies and demographic reports. The proposed Riverview Senior Community project will fulfill an immediate need, enhance the neighborhood and increase housing and care options for seniors who have very few local options to meet their increasing care needs.

Riverview Senior Community will become the nucleus of the CBJ senior community while also drawing in people from the wider community and all over the State of Alaska. Land use elements and amenities will be strategically included to build a sense of community and provide a vibrant lifestyle for all Riverview residents and visitors. As with other senior care projects developed by Torrey Pines Development Group it is anticipated that Riverview Senior Community will include the following amenities.

- Landscaped courtyard with outdoor patio seating
- Furnished common living rooms
- Restaurant style dining
- Facility bus/vehicle to assist residents with shopping and doctor visits
- Library and reading nooks
- Movie theater
- Spa and salon
- Activity rooms
- Housekeeping and laundry services
- Fitness center
- Concierge service

Riverview Senior Community at Vintage Park represents one of Juneau's greatest opportunities to create a sense of place for seniors in need of assisted living. Our approach to Riverview Senior Community is to design a facility that will strike a balance between creating an operationally efficient facility and the need to deliver a destination that is visually attractive and rich in amenities.

The three development principles that guide our approach here are as follows:

1. Meet Existing Demand: Increase Assisted Living Options for Juneau Residents
2. Enhance Quality of Life: Care and Attractive Amenities
3. Environmental and Cultural Stewardship

1. Meet Existing Demand: Increase Assisted Living Options for Juneau Residents

"The implementation of good housing policies for Juneau is economic development policy just as much as the continued failure to sufficiently address housing availability and affordability undermines Juneau's economic potential."
– CBJ Housing Action Plan

According to the Juneau senior housing and services market demand study conducted by Beck Consulting and Northern Economics, Inc., there is a growing demand for new assisted living beds in the Juneau market, and that demand is growing exponentially as the Juneau population ages. It is projected that in the next 20 years that there will be a shortage of more than 300 assisted living beds within the city. Further evidence of the demand for assisted living in Juneau can be found by looking at the waiting list for Pioneer Homes, which is the only assisted living facility in the city. Pioneer Homes currently has approximately 100 people on their active waiting list, and more than 1,300 people on their inactive waiting list. Residents are having to wait 5 years or more to receive assisted living care in the city.

This shortage of care options for seniors is forcing them to make difficult choices. Many of the seniors within Juneau have spent their entire lives in the city but they are forced to move out to find adequate assisted living options, and they are moving to states like Washington, Oregon, and Arizona to receive adequate care.

Torrey Pines Development Group's goal is to meet the existing and growing demand for new assisted living options within the city of Juneau, and to build Riverview Senior Community at a cost that will make economic sense for Juneau seniors. Minimizing and reducing the cost to build is critical to maintain affordability for residents and to the financial success of the facility. An important balance exists between the cost to build the facility and the price that must be charged to the residents of the facility. With economic help from the City of Borough of Juneau we can bridge the gap between the demand for assisted living and the limited supply within the city.

2. Enhance Quality of Life: Care and Attractive Amenities

"Riverview Senior Community will allow elders to live out their lives where they want to be, near family and friends." - Sioux Douglas, SCSSI

Riverview Senior Community will be a center of gravity for the Juneau senior community and will draw residents from other Southeast Alaska locations. The facility will be designed to not only meet the demand for long-term regional growth in the senior population, but it will provide attractive housing, assisted living resources and meaningful amenities that will enhance the quality of life for every resident.

As "center of gravity" implies, Riverview Senior Community will attract seniors through its quality care and vibrant activities in an environment that will create a sense of place and allow seniors to age with dignity.

Bayshire Senior Communities is our operating partner because of their "people first" philosophy and their focus on the individual. Bayshire's first priority is to uphold the dignity of every resident and enhance their lifestyle. Simply providing adequate care is not sufficient. It is essential to make every resident feel loved and cared for. Bayshire team members make it a point to know each resident personally. They understand the significance of the small acts of service, and they feel the joy that comes from making life better for others.

Riverview Senior Community will be a vibrant center of constant activity. The common facility amenities will include restaurant style dining, common living areas, movie theater, activity and game rooms, exercise room, and a salon. The daily activities along with the plentiful facility amenities will create a sense of place as it serves the daily needs of residents.

3. Environmental and Cultural Stewardship

> *"Our Nation has a diverse and extremely rich cultural heritage. It is a source of pride and strength to millions of Americans who look to the arts for inspiration, communication and the opportunity for creative self-expression." – Gerald Ford*

Southeast Alaska has a unique cultural heritage rich in history and art. Riverview Senior Community will be built and operated with sense of duty to honor the heritage of Southeast Alaskans. There are many ways to pay tribute to the local cultural heritage in both the design and décor of the community, along with hosting cultural activities that will be integrated into the monthly activity calendar.

Few things strengthen pride and stoke memories of one's own heritage as much as cultural artwork. Riverview Senior Community will incorporate Tlingit and Haida artwork, as well as other historical and cultural designs into the facility.

Given the massive size of the state it is ironic that land in Juneau is a scarcity; however, the topographic nature of the surrounding area requires a thoughtful approach to land use and planning. By increasing the utilization of lands where development already exists (such as Vintage Business Park), Riverview Senior Community greatly decreases the impact on Juneau's crown jewel, the natural environment.

Preserving the environment and relieving pressure on the natural resources is an important corporate philosophy and integral to the project's vision. As such, incorporating energy efficient technology and materials will be a critical component of the facility design. The pristine natural resources will also be an important amenity to the facility. The project will be designed to maximize views of the Mendenhall River, the Mendenhall Glacier, and the surrounding majestic mountains.

In considering the environmental impacts of the project it is important to note that the facility will sit on the Mendenhall River. The river presents a unique challenge because of the potential for flooding and erosion. Much of the concerns have subsided due to the oxbow breaking through last year, which has rerouted the river flow away from the site. This is good news as the flooding and erosion risks are reduced, but further risk assessment is needed and will be conducted to determine what (if any) riverbank protection will be required.

SCHEMATIC DESIGN

Northwind Architects previously had generated a schematic design concept for Riverview Senior Community as part of its initial design work for a previous development group. A lot of thought has gone into that design. This design maximizes the irregular shape lot by conforming to the bend in the river and the bend in the road, while permitting optimal exposure for daylight and views. Torrey Pines Development Group will build on this design concept and will make minor modifications to the floor plan and elevations to create greater operational efficiencies and reduce construction costs.

The following conceptual schematic design by Northwind Architects will serve as the basis for the final project design. These images, while not the focus of this proposal, are intended to illustrate the design concept and project footprint. The final product will be similar is mass and scale but may vary as more thought and planning is needed to consider the operational efficiencies and construction cost of the design.

Conceptual First Floor Plan

Conceptual Second Floor Plan

Conceptual Elevations

SOUTH ELEVATIONS - MEMORY CARE

EAST ELEVATION - MEMORY CARE

(2) NORTH ELEVATION - MEMORY CARE/CENTER PROGRAM

(1) NORTH ELEVATION - ASSISTED LIVING/CENTER PROGRAM

(3) WEST ELEVATION - ASSISTED LIVING

(2) SOUTH ELEVATION - ASSISTED LIVING/CENTER PROGRAM

PROJECT SIZE & UNIT MIX

Riverview Senior Community will consist of a single-phase development project and will include approximately 70,000 square feet of building space. The facility will include approximately 45,000 square feet of residential unit living space with approximately 25,000 square feet of common space. The facility will include care options for both assisted living and memory care residents. It is anticipated that the facility will include approximately 80 total units, including 56 assisted living units and 26 memory care units. The bed count varies slightly from the unit count because the facility will include some shared (semi-private) memory care units. As such, the facility will include approximately 88 beds, with 56 assisted living beds and 34 memory care beds.

Additionally, a certain number of assisted living units will be available to residents who qualify for Medicaid. There is a significant need to meet this demand and serve this segment of the senior community. A important component of the financial analysis included in Part Three is the number of units available for residents who receive Medicaid benefits.

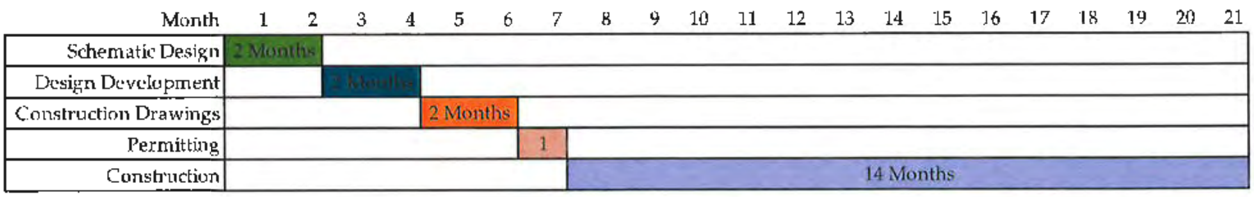
Proposed Unit Mix

Riverview Senior Community: Unit Mix			
	Units	Beds	Unit %
Assisted Living:			
Studio (Medicaid)	13	13	24%
Studio (Private Pay)	10	10	19%
1-Bedroom	31	31	57%
Total Assisted Living Units	**54**	**54**	**100%**
	Units	Beds	Unit %
Memory Care:			
MC - Private	18	18	69%
MC - Semiprivate	8	16	31%
Total Memory Care Units	**26**	**34**	**100%**
Total Units/Beds	**80**	**88**	

**Proposed unit mix is approximate and final unit mix may vary*

DEVELOPMENT & CONSTRUCTION SCHEDULE

Torrey Pines Development Group anticipates that the combined development/approval schedule and the construction schedule will be between 21 and 26 months. The following illustration breaks down the expected schedule for the development and construction.



*Best Case Scenario

Development Phase	Time (Months)
Schematic Design and Owner Approval:	2
Design Development:	2 – 3
Construction Drawings:	2 – 3
Permitting:	1 – 2
Construction:	14 – 16
TOTAL	**21 – 26 Months**

Project Expediting Measures

Timing of the start of construction is critical. It is always best to start a project like this in the spring, which gives sufficient time to grade, lay the foundation, construct the walls and place a roof overhead before the wet season begins. Timing is not on our side. If the RFP is awarded in December 2019, then the earliest project start date for the schematic design will be January 2020, which pushes the construction start date out to July or August of 2020. That is not sufficient time to get a roof overhead without going into the winter season and incurring costly winter construction and weather mitigation measures.

Torrey Pines Development Group has successfully expedited construction in previous projects by bifurcating the construction drawings and the grading plans into 2 separate submittals. Most jurisdictions will want to see a concurrent submittal of the construction drawings and grading plans because they are so closely tied together; however, if CBJ is willing to process and approve the grading plans prior to the construction drawing submittal then we can theoretically begin grading in the spring even before the construction drawings have been submitted for permitting. This will expedite the construction process by several months and help to reduce additional costs of having an exposed building during the winter.

PART THREE: FINANCIAL ANALYSIS

TOTAL PROJECT COST & BUDGET

Budget		Total Cost	Cost/SF	Cost/Bed
Acquisition				
Closing Cost		$ 10,700	$ 0.15	$ 122
Due Diligence/Reports		$ 31,000	$ 0.43	$ 352
Total Acquisition Cost		**$ 41,700**	**$ 0.57**	**$ 474**
Planning/Building Fees				
Planning/Building Fees		$ 39,000	$ 0.54	$ 443
Total Fees		**$ 39,000**	**$ 0.54**	**$ 443**
Architecture				
Architecture		$ 934,204	$ 12.82	$ 10,616
Civil Engineering		$ 65,710	$ 0.90	$ 747
Structural Engineering		$ 219,040	$ 3.01	$ 2,489
Mechanical/Electrical/Plumbing		$ 483,990	$ 6.64	$ 5,500
Landscape Architect		$ 41,380	$ 0.57	$ 470
Interior Designer		$ 85,000	$ 1.17	$ 966
Kitchen Consultant		$ 11,000	$ 0.15	$ 125
Cost Estimating		$ 31,220	$ 0.43	$ 355
Geotech Services		$ 26,331	$ 0.36	$ 299
Other		$ 40,002	$ 0.55	$ 455
Total Architecture		**$ 1,937,877**	**$ 26.60**	**$ 22,021**
Construction				
Construction Hard Cost		$ 21,853,448	300.00	248,335
General Conditions	3.3%	$ 728,448	10.00	8,278
FF&E		$ 800,000	10.98	9,091
Contingencies	2.9%	$ 750,000	10.30	8,523
GC Fee	6.0%	$ 1,447,914	19.88	16,454
Total Construction Cost		**$ 25,579,810**	**$ 351.15**	**$ 290,680**
Finance Cost				
Loan Fee	1.01%	$ 225,000	$ 3.09	$ 2,557
Interest Reserve - Senior Loan		$ 1,000,000	$ 13.73	$ 11,364
Title Recording Doc Fees		$ 10,000	$ 0.14	$ 114
Insurance		$ 45,000	$ 0.62	$ 511
Appraisal Fee		$ 7,500	$ 0.10	$ 85
Inspections		$ 2,500	$ 0.03	$ 28
Total Finance Cost		**$ 1,290,000**	**$ 17.71**	**$ 14,659**
Other Fees				
Legal Professional Fees		$ 250,000	$ 3.43	$ 2,841
Development/Management Fee	5.0%	$ 1,514,419	$ 20.79	$ 17,209
Total Other Fees		**$ 1,764,419**	**$ 24.22**	**$ 20,050**
Operating Start-Up Costs				
Pre-Opening Ops Budget		$ 300,000	$ 4.12	$ 3,409
Post-Opening Ops Budget		$ 850,000	$ 11.67	$ 9,659
Total Operating Start-Up Costs		**$ 1,150,000**	**$ 15.79**	**$ 13,068**
		Total Cost	**Cost/SF**	**Cost/Unit**
TOTAL PROJECT COST		**$ 31,802,807**	**$ 436.58**	**$ 361,396**

Riverview Senior Community is projected to cost a total of $31,800,000, inclusive of all hard and soft costs. Escalating construction hard costs is the largest factor to the increased projected cost since our previous cost analysis. After further consultation with Chris Gilberto at the Juneau office for Dawson Construction it is clear that the hard construction cost budget for this project should be closer to $300 per square foot. The cost to build in Alaska is high, and therefore the project will need assisted from CBJ to make economic sense. Further discussion on this is found in Part Four of this proposal.

INCOME ANALYSIS

Unit Mix and Revenue Projection

The following table illustrates the projected unit mix along with the projected pricing and the unit square footage for the various unit types.

Unit Mix					
	Units	Beds	Total Beds	Room SF	Building SF
ALF - Studio (Medicaid)	13	1	13	400	5,200
ALF - Studio (Private)	10	1	10	400	4,000
ALF - 1 Bedroom	31	1	31	550	17,050
ALF - 2 Bedroom	-	2	-	-	-
MC - Semi Private	8	2	16	550	8,800
MC Private	18	1	18	400	7,200
	-	-	-	-	-
	-	-	-	-	-
TOTAL AL	**80**		**88**	**2,300**	**42,250**

Unit Pricing & Revenue					
	Price/Bed	Base Income	Care Fees	Total Care	Total Income
ALF - Studio (Medicaid)	$ 5,196	$ 67,543	$ -	$ -	$ 67,543
ALF - Studio (Private)	$ 4,995	$ 49,950	$ 1,250	$ 12,500	$ 62,450
ALF - 1 Bedroom	$ 5,995	$ 185,845	$ 1,250	$ 38,750	$ 224,595
ALF - 2 Bedroom	$ -	$ -	$ -	$ -	$ -
MC - Semi Private	$ 6,000	$ 96,000	$ 1,250	$ 20,000	$ 116,000
MC Private	$ 8,500	$ 153,000	$ 1,250	$ 22,500	$ 175,500
-	$ -	$ -	$ -	$ -	$ -
-	$ -	$ -	$ -	$ -	$ -
TOTAL AL	**$ 30,686**	**$ 552,338**	**$ 5,000**	**$ 93,750**	**646,088**
Average Income/Bed/Mo					**7,342**

Recently there has been much media attention given to market pricing for assisted living in the State of Alaska. Pioneer Homes has drastically increased their rates to account for the true cost of care. The recent rate increases are so dramatic that a class action lawsuit has been filed seeking a reduction in the new rates.

The question that any operator must ask is whether or not Alaskan's can afford the cost of care based on the new rate structure at Pioneer Homes. Given that the market rates for assisted living at Pioneer Home in Juneau was already well above the national average prior to the rate increase, it is unrealistic for an operator or a lender to underwrite a project at rates higher than we are projecting in our model. The starting rates illustrated in our model for each unit type is much higher than the rates that we can charge for similar accommodations and care levels at any of our other facilities, and therefore we feel these figures are somewhat aggressive. However, given the cost to build and operate this facility in Juneau, these are the minimum rates that must be achieved to ensure economic sustainability.

Lease Up Schedule

A critical component of the financial success of the facility will be how quickly the facility will reach full occupancy. If the facility can stabilize quickly then that will create less of a financial burden to carry the project through to the cash flow breakeven point. Strategic marketing and community outreach will play an important role in stabilizing as quickly as possible. For illustration purposes we are projecting the facility lease up rate at 5% per month, which get the facility to full occupancy in approximately 20 months. This is not an aggressive projection, but it is not an extremely conservative projection either. Most lenders will not underwrite a lease up schedule that is more aggressive than this.

Please refer to the digital file submitted with this proposal to view the lease up schedule table.

EXPENSE ANALYSIS

Several factors are taken into consideration when projecting operating expenses for the new facility. Non-labor related expenses such as administrative, marketing, utilities and maintenance add up to significant expenses, but as with any other facility, labor related expenses will account for the largest majority of the operating budget. A thorough analysis of the operating expenses can be found in the digital proforma included in this submittal.

Labor Schedule

Although generally speaking labor in a care facility is a variable expense (labor fluctuates with occupancy); however, there is a minimum labor requirement set by State Licensing that requires a minimum number of employees regardless of occupancy. In that regard the labor related expenses during the lease up period are high, which is a burden on the cash flow. We account for this burden by including a pre-opening and a post-opening operating budget in the overall cost of the project to pay for the labor overhead during the lease up period.

Our economic analysis includes the following labor assumptions at full occupancy. For a more thorough analysis of the staffing and caregiving ratios, please refer to the digital proforma model included with this submittal.

Nursing and Care Staff	
Resident Services Director	1
LVN - AM Shift	1
LVN - PM Shift	1
LVN - NOC Shift	1
Caregivers - AM Shift	8
Caregivers - PM Shift	8
Caregivers - NOC Shift	5
Total Nursing and Care Staff	**25**
Non-Nursuing Staff	
Marketing Director	1
Maintenance Director	1
Culinary Director	1
Cooks	3
Dishwashser/Prep Cook	3
Servers	4
Housekeeping	2
Laundry	1
Activities Director	1
Assisted Activities Dir.	2
Total Non-Nursing Staff	**19**
Administrative	
Executive Director	1
Business Office Director	1
Receptionist	1
Total Administrative	**3**
Total Daily Empolyees	**47**

Another important factor in the labor analysis is the acuity level of the residents at the facility. High acuity residents require more care and therefore increase the staffing requirement of the facility. It has been our experience that newer facilities initially attract lower acuity residents who are more independent, and as the facility ages the acuity level of the residents rise, as does the staffing requirement.

PROFIT & LOSS PROJECTION

Proforma Profit & Loss RIVERVIEW SENIOR COMMUNITY Juneau, Alaska					
	Year 1	Year 2	Year 3	Year 4	Year 5
INCOME					
Rent & Care Fees	$ 2,378,777	$ 6,530,183	$ 7,699,625	$ 7,853,618	$ 8,010,690
Community Fees	$ 138,000	$ 128,520	$ 74,909	$ 76,407	$ 77,935
Total Revenue	**$ 2,516,777**	**$ 6,658,703**	**$ 7,774,534**	**$ 7,930,025**	**$ 8,088,625**
OPERATING EXPENSE					
Nursing	$ (991,098)	$ (1,838,569)	$ (2,092,823)	$ (2,129,266)	$ (2,171,852)
Marketing	$ (139,460)	$ (143,269)	$ (146,135)	$ (149,057)	$ (152,038)
Utilities	$ (267,348)	$ (272,695)	$ (278,149)	$ (283,712)	$ (289,386)
Culinary	$ (373,558)	$ (758,257)	$ (878,440)	$ (894,744)	$ (912,638)
Housekeeping/Laundry	$ (137,690)	$ (200,028)	$ (225,779)	$ (229,732)	$ (234,327)
Activities	$ (154,565)	$ (204,492)	$ (226,912)	$ (231,075)	$ (235,697)
Maintenance	$ (169,800)	$ (173,196)	$ (176,660)	$ (180,193)	$ (183,797)
Administrative	$ (469,483)	$ (500,304)	$ (524,100)	$ (534,295)	$ (544,981)
Other Expenses	$ (323,523)	$ (479,502)	$ (547,138)	$ (566,331)	$ (586,241)
Total Operating Expense	**$ (3,026,525)**	**$ (4,570,313)**	**$ (5,096,134)**	**$ (5,198,405)**	**$ (5,310,957)**
Net Operating Income	**$ (509,748)**	**$ 2,088,390**	**$ 2,678,400**	**$ 2,731,619**	**$ 2,777,668**
Operating Margin	-20.3%	31.4%	34.5%	34.4%	34.3%
Debt Serice - Senior Loan	$ (1,408,468)	$ (1,408,468)	$ (1,408,468)	$ (1,408,468)	$ (1,408,468)
Debt Service - Junior Loan	$ -	$ -	$ -	$ -	$ -
Net Income	**$ (1,918,216)**	**$ 679,922**	**$ 1,269,932**	**$ 1,323,151**	**$ 1,369,200**
DCR - Senior Loan	(0.4)	1.5	1.9	1.9	2.0
DCR - Senior + Mezz Loan	(0.4)	1.5	1.9	1.9	2.0

PART FOUR: INCENTIVES AND PROPOSED CBJ CONTRIBUTIONS

Due to the high cost to build the facility in Juneau (in addition to the high cost to operate the facility), it is challenging to make sense of the economics. When analyzing the potential project there are two ways to adjust the model to improve the economic outlook: increase the revenue projection or decrease the expense projection. In this case it will take a little of both. We have already increased our revenue projections beyond our comfort level, and we have also included cost mitigation measures and financial incentives from CBJ into our proforma.

To assist in making the project economically feasible the following incentives are being sought from CBJ, and these incentives have been incorporated into the economic model.

1. Land lease with an option to purchase
2. Property tax abatement
3. Grant funded through the Juneau Affordable Housing Fund
4. Fill gravel provided by CBJ
5. Waiver of impact, development, and permitting fees

1. LAND LEASE WITH OPTION TO PURCHASE

The City and Borough of Juneau has already shown a tremendous commitment to establishing a new senior care facility in Juneau by purchasing the land at Vintage Business Park and soliciting proposals from developers and operators. This is critical to the financial feasibility of the project because it reduces the cash outlay required by a developer to build the facility, which increases the projected return and reduces risk. As such, we propose a ground lease structure that will give Torrey Pines Development Group adequate time to build the and stabilize the facility.

Lease Terms

The following ground lease terms are proposed:

Lease Rate:	3.5% lease rate on the $1,519,000 purchase price
Annual Payment:	$53,165.00
Monthly Payment:	$4,430.00
Lease Term:	50 - 99 years
Lease Deposit:	None
Payment Deferral:	12 months after facility operations commence

Option to Purchase Land

Although a ground lease arrangement will reduce the initial project cost and the cash outlay for the project, it may not be the most appropriate long-term approach for either party, and therefore an option agreement to purchase the land is an important element of this proposal.

Once Riverview Senior Community is fully stabilized and operating efficiently and producing the necessary cash flow, it is entirely feasible to exercise the option and purchase the land either through a refinance or a new syndicated investment group.

We propose an option price of $1,750,000 that can be exercised at any time within the first 10 years of the project.

2. PROPERTY TAX ABATEMENT

On July 22 of this year the Assembly of the City and Borough of Juneau enacted an ordinance providing for a property tax abatement program to incentivize the development of assisted living for senior citizens. We applaud the Assembly in their efforts in helping make this new and much-needed assisted living facility more economically feasible.

We have incorporated the property tax abatement program into our financial analysis and the impact is substantial. Removing property taxes from the proforma boosts the bottom line profitability of the project by approximately 20%. This increase to the bottom line revenue is fundamental to making the project an attractive investment for both investors and lenders.

3. GRANT FUNDED THROUGH THE JUNEAU AFFORDABLE HOUSING FUND

Increasing investor returns and reducing exposure to risk is essential to attracting capital partners and lender. Increasing bottom line profitability through cost saving measures like the property tax abatement program are only one way to help increase investor returns. Reducing the equity investment requirement is another way to increase the required investor returns, and this can be accomplished through a grant from the Juneau Affordable Housing Fund.

We are proposing a $2,000,000 grant from the Juneau Affordable Housing Fund, or other appropriate resources available from the City and Borough of Juneau. These funds will reduce the overall equity investment requirement for the project from approximately $11,130,000 to $9,130,000. This reduction in the equity investment increases the projected return to the equity investors to a point where the investment returns make sense.

The following table is an illustration of the projected capital investment structure for Riverview Senior Community.

Capital Investment Structure			
Equity	$	9,130,982	28.7%
City Funded Grant	$	2,000,000	6.3%
Senior Lender	$	20,671,824	65.0%
Total Cost	$	31,802,806	100.0%

4. FILL GRAVEL PROVIDED BY CBJ

The soil conditions on the site will require an estimated 4,000 yards of soil beneath the building footprint to be removed and filled with suitable sand/gravel that can support the facility's foundation. This amount of sand/gravel will add additional construction expenses. In consultation with Dawson Construction, the market price cost for the san/gravel will be approximately $200,000.

The City and Borough of Juneau owns a rock quarry and we propose for the city to donate the required 4,000 yards of sand/gravel to the project. Providing the sand/gravel to the project does not require any capital outlay from CBJ, but this cost savings to the project will help relieve the burden of the high construction cost to construct the facility.

5. WAIVER OF IMPACT, DEVELOPMENT, AND PERMITTING FEES

Impact and connection fees, development fees and permitting fees can add up to substantial project costs. Although these fees may not seem significant compared to the overall project cost, waiving these fees will help to improve the financial feasibility of the project, and we propose for these fees to be waived.

EXHIBIT A

CONTACT INFORMATION

Torrey Pines Development Group, LLC

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Escondido, CA 92029

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Northwind Architects

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Name: James Bibb
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Website: www.northwindarch.com

EXHIBIT B

REFERENCES

Lender References:

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Irvine, CA 92620
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nancy.pepper@preferredbank.com

Local References:

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sioux@gci.net

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Non-Local References:

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(951) 240-5230 x-102
dan@pwdevelopment.com

Jeff Bullick
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(760) 744.3133 x1201
JBullick@lusardi.com

Vintage Business Park Senior Housing Assisted Living Bid Form

Instructions

A significant factor in the award of the bid for the Vintage Business Park property will be the senior housing assisted living and memory care proposal included with the bid form. Bidders should be sure that the proposed purchase or lease price on the bid form is consistent with information provided with the proposal narrative.

- [ ] Purchase
- [x] Lease

Proposed purchase price: ________________

Proposed lease price: $53,165 /yr
* with option to purchase land
Please see proposal

Note:
In August 2019, CBJ purchased the property for $1,519,000. An April 18, 2019 appraisal report (Appendix C) showed a fair market valuation of $1,860,000.

Torrey Pines Development Group
Bidder or Company Name

Addendum #1, 10-31-2019
Addenda Nos. Received

Matt Par[signature] 11/21/19
Signature Date

$ Described in proposal
TOTAL BID

Matthew Parks
Printed Name

(858) 335-1817
Telephone Number

1817 Avenida del Diablo
Address

(907) 586-6181
Fax Number

Esondido CA 92029
City State Zip

mp@torreypinesdevelopment.com
E-Mail Address

Items Due at time of submittal:
- Bid Form
- Proposal
- Registration Fee

CITY AND BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

October 31, 2019

Addendum No. 1 To Bid to Purchase or Lease Land in the Vintage Business Park and Proposal for the Development and Operation of a Senior Assisted Living Housing and Care Community

The following items of the subject Quote are modified as herein indicated. All other items remain unchanged.

REFER TO: V. Attachments, E. CBJ Senior Assisted Living Bid Form
DELETE: in its entirety.
REPLACE WITH: V. Attachments, E. CBJ Senior Assisted Living Bid Form (2), Revised October 31, 2019.

REFER TO: V. Attachments
DELETE: nothing.
ADD: V. Attachments

G. CBJ Vintage Park Limited Topographic Survey
H. AutoCAD file for Topographic Mapping (Link @ https://beta.juneau.org/housing/assisted-living_2019)
I. CBJ Land Management Code (attached, sealed competitive bid, pg. 3)

This addendum must be acknowledged or your quote may be considered non-responsive.
Acknowledgment can be made by signing and returning prior to deadline or include with your quote via:
Email: Scott.ciambor@juneau.org

Buyer & Title
City and Borough of Juneau
(907) 586-0220

Torrey Pines Development Group	[signature] / Matthew Parks	11/21/19
Company	Signature/Printed Name	Date

ACKNOWLEDGE THIS PAGE IF YOU INTEND TO SUBMIT A BID

Assembly Goals 2019

Assembly Goals set at
December 1, 2018 retreat

Updated November 4, 2019

1. Housing - Assure adequate and affordable housing for all CBJ residents

	AA*	Implementing Actions	Responsibility	Notes:
A	P/F	Prioritize Housing Action Plan strategies	Assembly, Manager's Office	*Completing or completed senior tax abatement, senior land purchase, Pederson Hill, Unit Lot subdiv ord.; upcoming is AHF, Senior Land disposal. Ongoing accessory apt. grants, Mobile Home loan program, Blueprint Downtown.*
B	P/F	Improve downtown housing (examples: Gastineau properties, incentives)	Assembly, Manager's Office, Finance	*Focus during/after Blueprint. FYI funds coming in on schedule from Gastineau litigation.*
C	P	Examine status of Affordable Housing Commission.	Assembly, Manager's Office, Affordable Housing Commission	*Done*
D	P/F/O	Identify next CBJ owned area for residential development/disposal.	Assembly, Manager's Office, Lands	*Consider after Pederson sale, Assembly Committee meetings with developers.*

2. Economic Development - Assure Juneau has a vibrant, diverse local economy

	AA*	Implementing Actions	Responsibility	Notes:
A	P/F/O	Prioritize items to implement the Juneau Economic Development Plan	Assembly, Manager's Office	*These goals effectively do this.*
B	F	Evaluate next steps & benefits with the West Douglas road and Channel Crossing	Engineering	*Funds appropriated in CIP in FY18, in long discussion with DOT/PF. Awaiting their decision on the process.*
C	P/F	Develop goals for tourism marketing & independent travelers	JEDC, JAHC, TJ	*KPIs at COW in the fall, will be imbedded in FY20 MOA with TJ.*
D	P/F	Complete work of Childcare Committee and act on the recommendations	Assembly	*Assembly completed initial committee work. Assigned project to staff who reported out at the 10/28 COW. On schedule to target solutions and funding in FY21.*
E	O	Develop a Downtown Transportation Plan to include parking strategies, parking structures, park & ride, circulators, etc.	Manager, Lands, Engineering/Public Works	*Public Safety building torn down, VTC under planning, bid on Subport which could host transportation elements.*
F	P/F	Explore CBJ participation in building the new JACC		*Ballot 2019*
G	F/O	Update the Comprehensive Plan	Assembly, CDD, Planning Commission, Manager's Office	*Partial funding in FY19 budget.*
H	O	Area Plans: Complete Downtown Area plan, followed by Douglas and Valley area plans.	CDD, Planning Commission, Manager, Assembly	*Downtown Blueprint project has kicked off. Tentative completion date is Winter 2020. Remaining plans are placeholders and may be adjusted.*
I	O	Identify future industrial land	Lands Office, CDD	*Update fall 2019, Lands Committee*
J	F/O	Revitalize Downtown based on Blueprint	CDD, Engineering/Public Works, Lands, Planning Commission, Manager's Office, Law, Assembly	*Awaiting outcome of planning process.*
K	S	Secure the $22 million of diverted Juneau Access funds for transportation infrastructure projects for the community.	Assembly, Manager's Office	*Awaiting actions by the State regarding AMHS and potential Cascade Point terminal.*
	P	Explore viability of a summer operation plan for Eagelcrest Ski Area	Assembly, City Manager, Eaglecrest Board, Eaglecrest General Manager	*Assembly is reviewing Eaglecrest Plans.*
	P	Visitor Industry Taskforce	Assembly, Manager's Office	*Assembly appointed committee is just beginning work.*

*Assembly Action to Move Forward: P = Policy Development, F = Funding , S = Support, O = Operational Issue

Assembly Goals 2019

Assembly Goals set at
December 1, 2018 retreat

3. Sustainable Budget and Organization - Assure CBJ is able to deliver services in a cost efficient and effective manner that meets the needs of the community

	AA*	Implementing Actions	Responsibility	Notes:
A	F/O	Work on business case for consolidated City Hall	Manager's Office, Engineering & Public Works	*Continue public effort in Fall 2019, publicly evaluate issues and options. If supported, Ballot 2020 is potential option.*
B	F/O	Maintain Assembly focus on deferred maintenance.	Manager's Office, Engineering/Public Works, Parks and Recreation, Airport, Docks and Harbors, Eaglecrest. BRH, JSD	*Done. Maintained in FY19 CIP. Took action on utility rates.*
C	P/F	Protect Budget reserves	Assembly, Manager's Office, Finance	*Protected by Assembly. Under threat from Governor's vetos/State of Alaska.*
D	F/O	Upgrade CBJ Technology- online payments, website updates	Manager's Office, MIS, Library, JPD	*Ongoing.*
E	P	Look at Sales Tax structure (internet sales tax, no sales tax on food, etc.)	Assembly, Manager's Office, Finance	*Staff working AML process for internet sales tax.*

4. Community Wellness/Public Safety - Juneau has a local environment that is safe and welcoming for all citizens

	AA*	Implementing Actions	Responsibility	Notes:
A	F/O	Partner with non-profits and other government agencies to address the use of opioids and meth in our community. Focus on what BRH's role should be.	Assembly, Manager's Office, BRH, Community partners	*JOWG meets regularly.*
B	F	Partner with non-profits and other government agencies to support efforts to address community members who are unsheltered and other vulnerable populations (substance abuse, mental health, etc.)	Assembly, Manager's Office, BRH, Community partners	*Losing ground due to homeless/vulnerable population increase/changes reduction in State funding from Governor's vetos. HF Phase 2 under construciton. Increased focus likely required in FY19.*
C	P/F/O	Develop strategies to reduce and deal with the impacts of crime in the community.	Assembly, Manager's Office, Law, JPD, Community Partners	*State passes HB49. JPD has partnered with state and federal resources to reduce drug trafficing. Part 1 crimes down in last reporting cycle.*
D	F	Focus on first responder recruitment and retention strategies.	Manager's Office, JPD, CCFR, HRRM	*Improved staffing, retention strategies, new contract completed with PSEA and IAFF.*
E	P/O	Look into sidewalk accessibility, particularly as it relates to snow, ice and litter. Explore compliance and enforcement issues.	Manager's Office, CDD, Engineering/PW, JPD	
F	P/F/O	Review public safety taskforce recommendations	Assembly, Manager's Office, JPD	*Done. Decreased staffing shortage, increased effort on recruitment.*

5. Sustainable Community - Juneau will maintain a resilient social, economic, and environmental habitat for existing population and future generations.

	AA*	Implementing Actions	Responsibility	Notes:
A	P/F	Follow & Implement Juneau Renewable Energy Strategy	Assembly, Manager's Office	*Funding in FY20 CIP*
B	P/F/O	Develop and implement a CBJ energy management program.	Assembly, Manager's Office, all departments	
C	P/F	Investigate what it would take to plug in cruise ships.	Assembly, Manager's Office, Docks and Harbors	*Funding in FY20 CIP*
D	P/F	Develop steps to shift public and private transportation toward renewable energy sources.	Assembly, Manager's Office, Community Partners	*Funding in FY20 CIP*
E	P/F/O	Develop and implement/update a climate change impact and mitigation plan	Assembly, Manager's Office	*Funding identified in FY20 CIP to update climate impact study.*
F	P/F/O	Develop solid waste strategy including plans to increase recycling.	Assembly, Manager's Office, Engineering/PW	*Continuing work on consolidating recycleworks at landfill. Junk cars rising in priority, updates to program will be proposed Fall 2019.*
	P	Develop a single use plastics program	Assembly, Manager's Office	*In progress*

*Assembly Action to Move Forward: P = Policy Development, F = Funding , S = Support, O = Operational Issue

GOALS UPDATED: NOVEMBER. 4, 2019

dots		AA*	Implementing Actions	Notes:
			1. Housing - Assure adequate and affordable housing for all CBJ residents	
6	A	P/F	Prioritize Housing Action Plan strategies	*Completing or completed senior tax abatement, senior land purchase, Pederson Hill, Unit Lot subdiv ord.; upcoming is AHF, Senior Land disposal. Ongoing accessory apt. grants, Mobile Home loan program, Blueprint Downtown.*
5			Approve and implement Affordable Housing Fund distribution plan.	New
5			Develop downtown housing incentives including tax abatement	New
4			Focus on developing workforce housing	New
4			Develop incentives to encourage long term rentals over short term rentals	New

1	D	P/F/O	Identify next CBJ owned area for residential development/disposal.	*Consider after Pederson sale, Assembly Committee meetings with developers.*
0			Rehabilitate existing downtown housing not being utilized now.	New

Dots		AA*	2. Economic Development - Assure Juneau has a vibrant, diverse local economy Implementing Actions	Notes:
5	J	F/O	Revitalize Downtown	*Awaiting outcome of planning process.*
5			Explore and review options for the Centennial Hall complex	New
4	B	F	Evaluate next steps & benefits with the West Douglas road and Channel Crossing	*Funds appropriated in CIP in FY18, in long discussion with DOT/PF. Awaiting their decision on the process.*
4	D	P/F	Act on work of Childcare Committee and act on the recommendations	*Assembly completed initial committee work. Assigned project to staff who reported out at the 10/28 COW. On schedule to target solutions and funding in FY21.*
4	I	O	Protect future industrial land	*Update fall 2019, Lands Committee*
4		P	Explore viability of a summer operation plan for Eagelcrest Ski Area	*Assembly is reviewing Eaglecrest Plans.*
4		P	Complete work of Visitor Industry Taskforce	*Assembly appointed committee is just beginning work.*
3	G	F/O	Update the Comprehensive Plan	*Partial funding in FY19 budget.*
3	H	O	Area Plans: Complete Downtown Area plan, followed by Douglas and Valley area plans.	*Downtown Blueprint project has kicked off. Tentative completion date is Winter 2020. Remaining plans are placeholders and may be adjusted.*
2	C	P/F	Develop goals for tourism marketing & independent travelers	*KPIs at COW in the fall, will be imbedded in FY20 MOA with TJ.*
2	E	O	Develop a Downtown Transportation Plan to include parking strategies, parking structures, park & ride, circulators, etc.	*Public Safety building torn down, VTC under planning, bid on Subport which could host transportation elements.*
2	K	S	Secure the $22 million of diverted Juneau Access funds for transportation infrastructure projects for the community.	*Awaiting actions by the State regarding AMHS and potential Cascade Point terminal.*

1	A	P/F/O	Prioritize items to implement the Juneau Economic Development Plan	*These goals effectively do this.*

DOTS		AA*	3. Sustainable Budget and Organization - Assure CBJ is able to deliver services in a cost efficient and effective manner that meets the needs of the community Implementing Actions	Notes:
5	B	F/O	Maintain Assembly focus on deferred maintenance including BRH and JSD.	*Done. Maintained in FY19 CIP. Took action on utility rates.*
5			Keep focused on impact of Assembly decisions on the cost of living in Juneau - Proposed wording change to "Reduce cost of living in Juneau where possible."	New
4	E	P	Continue to evaluate sales tax structure.	*Staff working AML process for internet sales tax.*
3	C	P/F	Protect Budget Reserve	*Protected by Assembly. Under threat from Governor's vetos/State of Alaska.*
3	D	F/O	Upgrade CBJ technology- online payments, website updates	*Ongoing.*
3			Develop strategies for future School Bond Debt Reimbursement - Proposed wording change: "Develop plan to address reduced state support for School Bond Debt Reimbursement"	New
2	A	F/O	~~Work on business case for consolidated City Hall~~	*Continue public effort in Fall 2019, publicly evaluate issues and options. If supported, Ballot 2020 is potential option.*
2	A		Examine life cycle of CBJ facilities including city hall - Proposed wording change: "Examine life cycle and life cycle costs of CBJ facilities including city hall."	Reword of old A. Old A left on as it received votes.

DOTS	4. Community, Wellness, and Public Safety - Juneau is safe and welcoming for all citizens			
		AA*	**Implementing Actions**	***Notes:***
8	A	F/O	Partner with non-profits and other government agencies to address addiction in our community. Focus on what BRH's role should be.	*JOWG meets regularly.*
6	B	F	Partner with non-profits and other government agencies to support efforts to address community members who are unsheltered and other vulnerable populations (substance abuse, mental health, etc.)	*Losing ground due to homeless/vulnerable population increase/changes reduction in State funding from Governor's vetos. HF Phase 2 under construction. Increased focus likely required in FY19.*
4	C	P/F/O	Develop and implement strategies to reduce and deal with the impacts of crime in the community.	*State passes HB49. JPD has partnered with state and federal resources to reduce drug trafficking. Part 1 crimes down in last reporting cycle.*
3			Develop pedestrian focused snow removal strategies	New
1	D	F	Focus on first responder recruitment and retention strategies.	*Improved staffing, retention strategies, new contract completed with PSEA and IAFF.*
1			Reduce homelessness	New
1			Enforce snow removal requirements	New
0	E	P/O	Look into sidewalk accessibility, particularly as it relates to snow, ice and litter. Explore compliance and enforcement issues.	

DOTS	5. Sustainable Community - Juneau will maintain a resilient social, economic, and environmental habitat for existing population and future generations.			
		AA*	Implementing Actions	*Notes:*
5	F	P/F/O	Develop solid waste strategy including plans to increase recycling and deal with abandoned/junked vehicles.	*Continuing work on consolidating recycleworks at landfill. Junk cars rising in priority, updates to program will be proposed Fall 2019.*
5			Develop strategy to measure, track and reduce CBJ energy consumption.	New
5			Explore creating an Assembly Sustainability Committee	New
4		P	Develop a single use plastics program	*In progress*
4			Develop strategy to reduce water consumption boroughwide	New
4			Make a long term plan to achieve reliance on 80% renewable energy sources by 2045	New
4			Develop climate change adaptation plan	New
2	A	P/F	Follow & Implement Juneau Renewable Energy Strategy	*Funding in FY20 CIP*
2			Develop and implement dock electrification	New

1	B	P/F/O	Develop and implement a CBJ energy management program.	
0	C	P/F	Investigate what it would take to plug in cruise ships.	*Funding in FY20 CIP*
0	D	P/F	Develop steps to shift public and private transportation toward renewable energy sources.	*Funding in FY20 CIP*
0	E	P/F/O	Develop and implement/update a climate change impact and mitigation plan	*Funding identified in FY20 CIP to update climate impact study.*