

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

January 31, 2018, 5:00 PM.

Municipal Building - Assembly Chambers

Work Session - No Public Testimony

I. ROLL CALL

II. APPROVAL OF AGENDA

III. AGENDA TOPICS

A. **Assembly and School Board - Joint Discussion**

B. **Assembly and Docks & Harbors Board - Joint Discussion**

IV. 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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Telephone: 586-5240 | Facsimile: 586-5385

DATE: December 20, 2017

TO: Jerry Nankervis, Chair, Assembly Committee of the Whole

FROM: Rorie Watt, PE, City Manager

A handwritten signature in black ink, appearing to read "Rorie Watt".

RE: Archipelago Property Proposed Development

At the December 4 COW, the Assembly received a presentation and information about the proposed development projects on CBJ and Archipelago LLC properties on the downtown waterfront. To assist in the policy and decision making discussion, I offered the following framework to help the Assembly work through the issues. I have additionally included high level details and preliminary "point of departure" recommendations to help give the Assembly a starting point for its decision making process.

Questions:

1. Should the CBJ make a property deal with Archipelago LLC, consisting of purchasing and selling property, moving lot lines?

The conceptual property deal makes sense as it would allow Docks & Harbors and Archipelago to both more efficiently meet their goals. The exact details matter (values, costs to the CBJ and uses proposed by CBJ), but a rationalizing of property lines appears favorable for municipal and private interests.

2. Should the Assembly support the addition of B-Zone parking/staging on the waterfront?

Yes. The expansion of the municipal docks allows for berthing of larger ships with more passengers, and those ships need more shore side services. Allocating more land on the waterfront to parking or vehicle staging can be limiting, but assuming that the Assembly agrees with the need, this location is favorable for supporting both CBJ berths (Cruise Ship Terminal and Steamship Wharf).

3. Should the Assembly support the development of undesignated, decked over open space?

Yes. Space on the waterfront is always at a premium. Historically, the CBJ has responded reactively to cruise ship passenger visitation growth. There are strong reasons to pursue more space to allow safe and efficient management of the Port of Juneau's shore-side facilities to accommodate industry estimated growth. In this case, the open space deck is proposed for a variety of reasons including:

- a. *Cost efficiency (prior to or contemporaneous with upland development of the Archipelago property). The deck can be built more efficiently, less expensively if bundled with a larger project.*
- b. *Demonstrated and growing need for open space. Cruise ship visitation provides a tremendous need for services during peak activity periods, and infrastructure needs are driven by daily ship schedules.*
- c. *Future needs. The deck would provide a foundation for future needs, including restrooms, visitor information, and park features (like the USS Juneau Memorial concept).*
- d. *Public support. Infrastructure provided solely for the benefit of the cruise ship industry may not be approved by the Juneau public because it can imbalance the use and enjoyment of the waterfront. Bundling passenger vehicle staging infrastructure with additional open space balances waterfront development and allows for community use.*

4. What type of funding should be used?

This question has not been analyzed. An analysis of use should be performed to determine the appropriate level of local funds and/or marine passenger fees. As the waterfront planning is being promoted partially to encourage year round use, a discussion of non-MPF fund sources is necessary. Provision of CBJ land assets that were not procured with MPFs may be considered as similar to local funding.

A concrete allocation proposal (including cost estimates) is needed before the Assembly can work on this decision. I have no recommendation at this time.

5. Assuming that the Assembly desires to pursue a project, what is the best procurement/contracting method to achieve that goal?

Typical municipal improvements are achieved in accordance with CBJ code by sequentially negotiating land deals, pursuing detailed design packages, followed by a low bid procurement. The public purpose of traditionally procured improvements is to allow for competitive pursuit of the work by professional service and construction contractors.

Recent amendment to the CBJ Charter and/or amendment to CBJ code may open up other procurement opportunities that meet additional public policy goals including:

- a. *More rapid construction.*
- b. *Less costly improvements*
- c. *Encouragement of private sector investment.*

CBJ has not yet developed authorizing legislation for this type of procurement. The Assembly could choose to develop project specific or more generally applicable authorizing legislation.

6. What policy stance should the CBJ take with regard to commercial use of the waterfront?

Docks & Harbors currently has leases or use permits on the downtown waterfront including the Goldbelt Tram, the Taku Fisheries dock, and several submerged and filled tidelands. D&H also manages the private tour vendor permitting system. There are several different case scenarios including:

- a. ***ROW adjacent to private building*** – CBJ has amended code last year to allow right of way use by adjacent building owners.
- b. ***Developed or undeveloped tideland adjacent to or near upland owner*** – Upland owners have asked whether they have any preferential leasing priority for tidelands near their buildings.
- c. ***Lease to non-upland owner*** – CBJ does not currently lease waterfront space to portable businesses (food carts, eg).

Closely related, this past summer, CBJ did allow two food carts (permitted to operate in the right-of-way) to move across the street into Marine Park as an experiment. It was generally seen as successful, if non-competitive, experiment.

If the Assembly is to move forward on a development as proposed on 12/4, other decisions/actions include:

- A. **Assembly Motion to Negotiate for land purchase/sale .**
- B. **Proposed Funding Package (staff to prepare draft).**
- C. **Alternative Procurement Decision** – The Assembly can decide whether to consider alternative procurement specifically for this project, or a generally code change.
- D. **Public Comment** – As this topic is likely to be scheduled for a COW (which does not normally receive public comment), the Assembly should decide how to receive public comments.
- E. **Commercial Use Policy Timing** – Consideration of commercial use of the waterfront can occur before, during or after consideration of the improvements considered. The Assembly could consider at a COW Agenda, or perhaps initiate the discussion at the annual joint meeting with the Docks & Harbors Board.