ASSEMBLY COMMITTEE OF THE WHOLE WORKSESSION AGENDA

January 26, 2023 at 5:00 PM

Assembly Chambers/Zoom Webinar

https://juneau.zoom.us/j/95424544691 or 1-253-215-8782 Webinar ID: 954 2454 4691

Assembly Committee of the Whole Worksession-no public testimony will be taken.

A. CALL TO ORDER

B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land, and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

C. ROLL CALL

D. APPROVAL OF AGENDA

E. AGENDA TOPICS

1. **Federal Funding Issues Update**
2. **Legislative Capital Priorities (see supplemental materials also)**

F. STAFF REPORTS

G. SUPPLEMENTAL MATERIALS

3. **2023-01-25 Legislative Priorities FY24-DRAFT**
4. **Bartlett Regional Hospital FY24 Legislative Capital Budget Request - Bartlett Aurora Behavioral Health Center (to be distributed at the meeting)**

H. NEXT MEETING DATE: February 13, 2023, 6:00p.m.

I. ADJOURNMENT

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

Engineering & Public Work
Marine View Building, Juneau, AK 99801
907-586-5254

MEMORANDUM

DATE: **January 23, 2023**

TO: **Deputy Mayor Gladziszewski and CBJ Committee of the Whole**

FROM: **Katie Koester, Engineering & Public Works Director**
Katie Kachel, Lobbyist, Blank Rome

SUBJECT: **Federal Funding Update**

The purpose of this memo is to organize updates to the Committee of the Whole on a number of federal Issues/projects CBJ is tracking.

Federal Issues

NOAA Subport Property. A provision (section 11710) was enacted as part of the U.S. Coast Guard (USCG) Authorization Division of the National Defense Authorization Act (NDAA/P.L. 117-263) that would give the City & Borough of Juneau (CBJ) a right of first refusal to initiate a conveyance at fair market value of the National Oceanic and Atmospheric Administration (NOAA) subport, should the Coast Guard not act on its discretionary authority to affirm its interest in acquiring the property via transfer from NOAA within 180 days after date of enactment (12-23-22). Should the USCG declare its interests, NOAA is required to transfer the property to the USCG within one year from the date of the USCG's declaration of interest. If the USCG doesn't declare its interests, the underlying authority to convey the NOAA subport to CBJ applies. CBJ has up to three years to complete this conveyance before the authority automatically expires.

Icebreaker Homeporting in Juneau. The USCG's FY23 budget requested funds to acquire a commercially available icebreaker; an acquisition that is not a part of the USCG's Polar Security Cutter (PSC) program, but rather would be used to augment the Coast Guard's polar icebreaking capabilities until the new PSCs under construction enter service. The USCG intended to homeport this commercially available "icebreaker" in Juneau after the USCG completed a feasibility study (released to limited audiences in Nov.) of potential homeport areas in Alaska. The USCG reviewed the ports of Adak, Anchorage, Dutch Harbor, Juneau, Ketchikan, Kodiak, Nome, Seward, and Valdez. A preliminary version of the FY23 Omnibus Appropriations bill contained funding for this commercially available icebreaker, however, this funding was struck from the final enacted omnibus bill. Absent any FY23 acquisition funding the USCG now faces a sizable new hurdle in bringing an icebreaker to Juneau. This funding gap also casts uncertainty for the USCG's capital planning budgeting for numerous related out-year expenses (e.g., yard availability and vessel refitting, Juneau pier/shoreside infrastructure construction, service member housing and relocation costs, etc.). The USCG's FY24 budget request will provide insights into the USCG's level of interest and support within the Department of Homeland Security and the Biden administration to homeport an icebreaker in Juneau.

Approach Lighting System at JNU Airport. A change in law is required to allow JNU Airport to use federal FAA Airport Improvement Program (AIP) funds for the full buildout of the Medium Intensity Approach Lighting System (MALSR) on Runway 26 and for the MALSR to remain an FAA facility maintained by the FAA. The MALSR is a system that will reduce missed approaches by pilots into JNU Airport, and thus increase access, reliability, and safety at the airport.

Congressionally Directed Spending / Community Project Funding

As part of the Fiscal Year 2022 and 2023 appropriations processes, Congress amended its rules and allowed members to request "congressional designations" (aka earmarks) in appropriations bills, after a 10-year earmark ban. This means Members of Congress could request provisions designating an amount of funds to a particular recipient—such as a local government or nonprofit organization—for a specific project. These provisions are called "Congressionally Directed Spending" (CDS) in the U.S. Senate and "Community Project Funding" in the House of Representatives. Entities and projects receiving CDS funds must prove to be eligible for the underlying federal programs. The CDS request and vetting process is essentially a pre-qualification exercise, but eligibility and competition considerations resemble a full blown competitive grant application. Congress decides which federal programs are earmarked, and within those programs, certain projects can be more competitive than others. Project readiness is a key factor in eligibility and competitiveness because it lowers risk to the federal government. Once an entity is listed for a CDS, depending on the federal program, it has to again submit an application to the federal agency in order to draw down the funds that were designated for them in the appropriations bill. Congress is expected to allow again members to request CDS in the FY24 process. Senator Murkowski's FY24 CDS portal opens on February 6, 2023.

Secured Congressionally Directed Spending

Juneau Douglas North Crossing $7M. CBJ is grateful to Senator Murkowski for securing a $7 million dollar appropriation for this project. There is currently a lot of activity on the project as we are nearing the completion of a Planning and Environmental Linkages (PEL) Study scheduled to wrap up this spring. The purpose of the PEL is to facilitate robust public engagement on the project and explore different alternatives. After completion of the PEL, the next step will be to work on environmental permitting through the National Environmental Policy Act (NEPA) process. The $7 million in congressionally directed spending will go towards this effort. Additionally, CBJ is applying for a Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant to complete NEPA and initiate design. A resolution supporting this application will be on the Regular Meeting Agenda January 30th.

Municipal Composting $2.5M. CBJ has identified developing a zero waste or waste reduction plan as sustainability goal 5a. Based upon a compost feasibility study (Cedar Grove, 2016), National Resource Defense Council and EPA estimates that there is likely more than 5,000 tons food waste per year for a community of this size. Finding a beneficial use for the large amounts of food waste that the community generates has a triple benefit: helps with odors, creates space in the landfill, and diverts organics from going down the drain, which is costly to our municipal wastewater treatment system. To meet this need, the Public Works and Facilities Committee (PWFC) has prioritized increasing composting capacity in Juneau as a phase that can happen concurrently with broader zero waste planning. Last year when submitting Congressionally Directed Spending Requests, CBJ was encouraged to submit a project that would be eligible for the Environmental Protection Agency subaccount, which prompted the municipal composting facility request. CBJ is excited to receive $2.5M, thanks to Senator Murkowski. With this level of funding, we expect to be able to do the limited site prep (versus design and planning for a full zero waste subdivision) needed to compost a portion of the commercial food waste that currently goes to the landfill. This would likely be from just one sector of the community (e.g., grocery stores, a large

organization, or restaurants, etc.) and be done with mostly moveable elements such as cover and blower systems. There is a lot of planning still to move the project forward and we don't yet have the funding in hand to move forward with those contracts. Nevertheless, CBJ will rely on local engineering experts and professionals in the composting community to design a facility. The Assembly and CBJ leadership has been clear that scaling up composting in Juneau will rely on a private-public partnership; much like how we manage junk vehicles, household hazardous waste, and recycling where CBJ provides a facility and relies on local expertise to operate and manage.

In addition to the funding that has been secured, on Feb 13, Juneau will apply for a $4 million EPA Solid Waste Infrastructure for Recycling Grant (with no local match requirement) to develop a zero waste plan, build, and operate a larger scale commercial compost facility with more permanent structures and additional equipment such as depackager or conveyor systems to enable food that is currently difficult to compost to be composted.

Prospective Congressional Directed Spending

The Assembly will adopt Legislative Priorities at this meeting which are used to advocate for funding with the State and Federal delegations. Based on historical experience, the projects below will likely be good candidates.

CBJ Radio System Replacement $14.5M. This project is a good candidate for Congressionally Directed Spending due to the public safety, homeland security, and emergency response benefits. The project's current status is CBJ has hired a consulting firm to advise on procurement and the Assembly has appropriated $500,000 to initiate planning, design, and procurement support. Additionally, the Assembly and voters included $2M in the 1% special sales tax. This request will likely have to be phased due to the available funding.

Mendenhall Wastewater Treatment Plant: Fats Oils and Grease (FOG) and Grit Removal $5.75M. Traditionally, substantial funding is allocated to clean water projects through the Environmental Protection Agency, which makes this project a good candidate for Congressionally Directed Spending. Removing FOGs is also a necessary part of the CBJ utility's compliance plan through the Alaska Department of Conservation.

Lemon Creek Multimodal Path $10M. For the past two years, this has been the number one legislative priority for the Assembly and was included in the 1% special sales tax for $1.5M. CBJ Engineering has been working with consultants to prepare two separate grant applications to advance this project: Reconnection Communities for planning, scoping, public outreach, and feasibility and the Transportation Alternatives Program for construction of phase one of the path from the intersection of Vanderbilt Hill Road and Glacier Highway to the east side of Lemon Creek adjacent to Egan Drive. Because of the terrain in the area and length of the path, even if the grants CBJ has applied for are successful additional funding will be necessary to complete the entire path to connect Lemon Creek.

Capital Civic Center $75M. CBJ was unsuccessful in a request for $25M in congressionally directed spending last year. However, since then, progress has been made on developing the project to reduce the total project cost and further develop the concept level design.

Project History

In 2017 the community identified a long list of needed improvements to Centennial Hall including lobby and meeting room expansions, ballroom renovations, exterior wall improvements, site, and civil work, and HVAC/electrical upgrades. In 2017 voters approved an increase in the bedtax to fund improvements in addition to $4.5M in bond funding. After the project was briefly put on hold at the beginning of COVID due to fiscal uncertainty, design and construction moved forward on the highest priority component; ballroom renovations including HVAC and electrical systems for that portion of the building. This project is currently under construction and scheduled to be completed in August of 2023. The remaining list of improvements to Centennial Hall identified in 2017 totals approximately $24M (adjusted to FY2024).

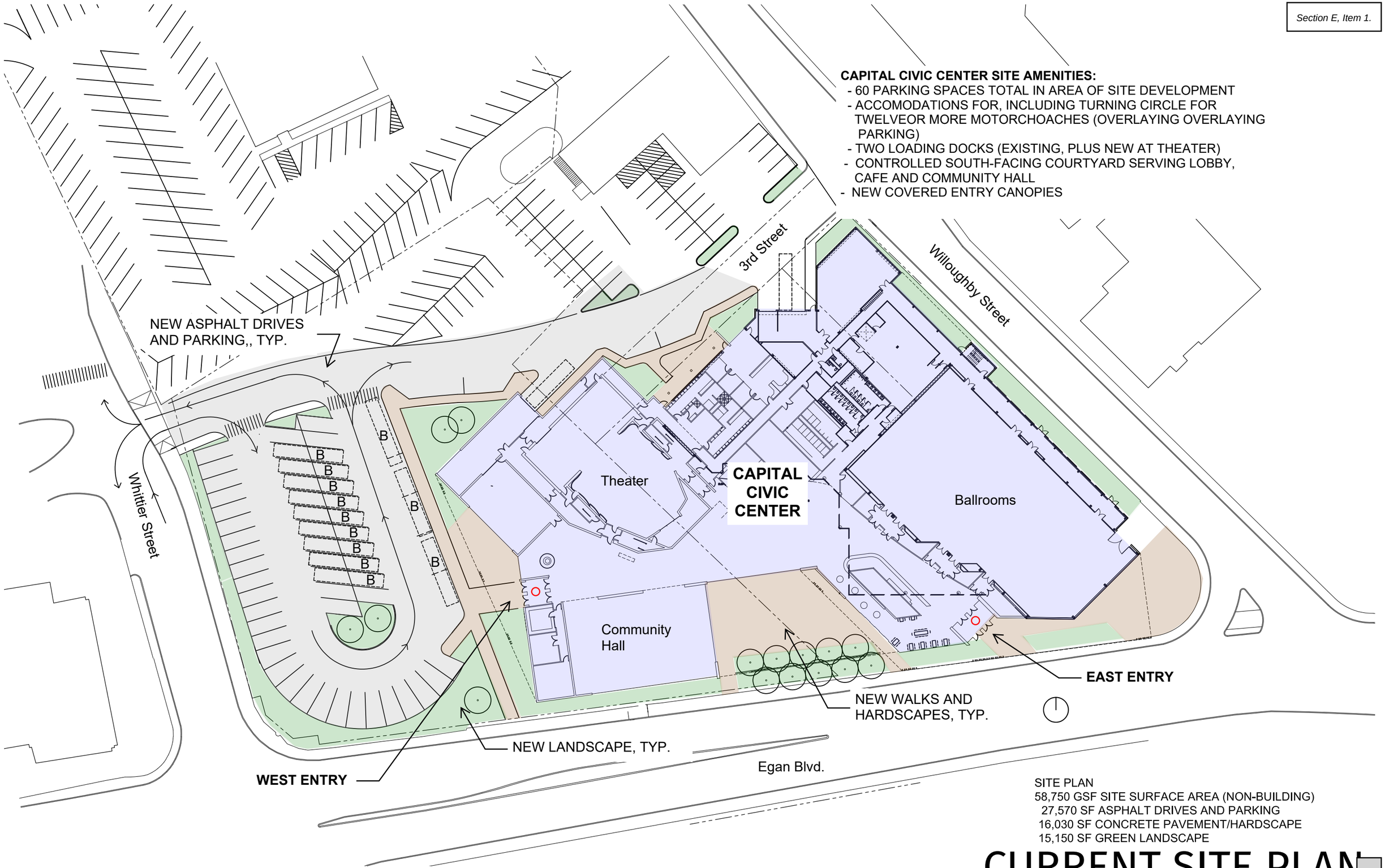
In 2020 supporters of Centennial Hall and the performing arts came together to form the Alliance with members of Travel Juneau, the Chamber of Commerce, JAC, and The Partnership to pursue a joint vision of a shared convention center and performing arts space. The Assembly appropriated $75,000 to flush out the idea. With a rough order of magnitude cost estimate of $85M total project cost, it quickly became apparent that more time and resources needed to be invested into conceptual design to determine where spaces could be shared and savings could be had. The Assembly appropriated $2M and gave direction to aim for a $65M project. Through CBJ Engineering, the Alliance worked with JYW and Northwind Architects on six different design iterations before landing on the one before you today with a total project cost of $75M (see floor plans attached).

Next Steps
There is $1.8M left of the funds the Assembly appropriated for design. However, we are hesitant to move forward with design without securing significant funding for the project. The intent is to request $10M from the State in 2023 and $35 from the Federal Government, potentially over a 2 year period.

Availability	**Confirmed**		**Future Requests**
Source	**Now**	**Near Term**	**At least 1 yr out**
The Partnership Board		$6	$2
CBJ/ Alliance Congressional Request			$35
CBJ/Alliance SOA capital req			$10
CBJ Appropriation: Sales Tax/ Bed Tax		$3	
CBJ Appropriation: Passenger Fees		$10	
Rasmussen/Murdock Foundation			$5
CBJ Appropriation: GF	$2		
Other			$2
Total (millions)			**$75**

CAPITAL CIVIC CENTER SITE AMENITIES:

- 60 PARKING SPACES TOTAL IN AREA OF SITE DEVELOPMENT
- ACCOMODATIONS FOR, INCLUDING TURNING CIRCLE FOR TWELVEOR MORE MOTORCHOACHES (OVERLAYING OVERLAYING PARKING)
- TWO LOADING DOCKS (EXISTING, PLUS NEW AT THEATER)
- CONTROLLED SOUTH-FACING COURTYARD SERVING LOBBY, CAFE AND COMMUNITY HALL
- NEW COVERED ENTRY CANOPIES



SITE PLAN
58,750 GSF SITE SURFACE AREA (NON-BUILDING)
27,570 SF ASPHALT DRIVES AND PARKING
16,030 SF CONCRETE PAVEMENT/HARDSCAPE
15,150 SF GREEN LANDSCAPE

CURRENT SITE PLAN

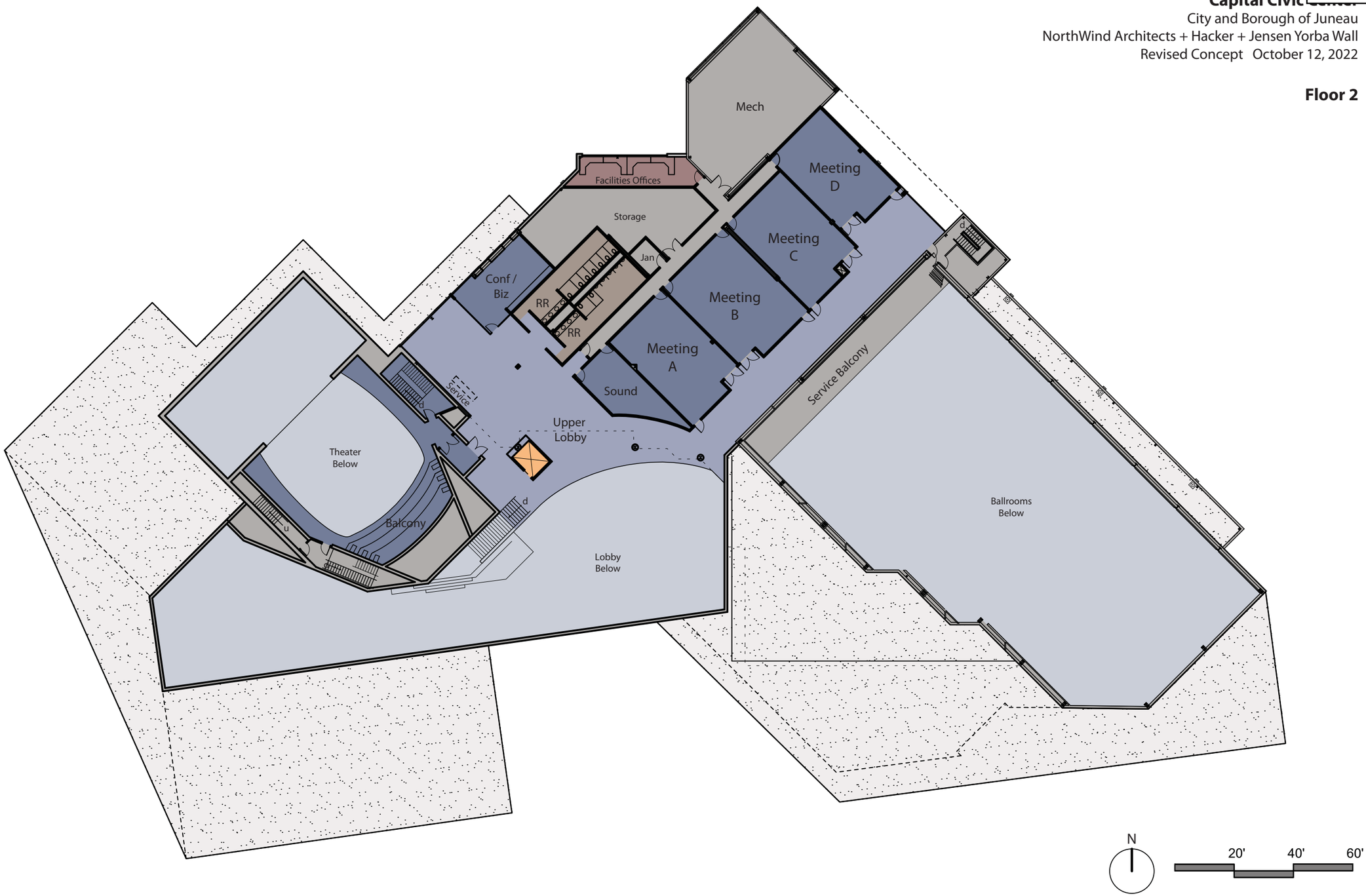
Capital Civic Center
City and Borough of Juneau
NorthWind Architects + Hacker + Jensen Yorba Wall
Revised Concept October 12, 2022

Floor 1

REVISED FIRST FLOOR PLAN

Capital Civic Center
City and Borough of Juneau
NorthWind Architects + Hacker + Jensen Yorba Wall
Revised Concept October 12, 2022

Floor 2



REVISED SECOND FLOOR PLAN

McKINLEY RESEARCH
GROUP, LLC

Formerly McDowell Group

CAPITAL CIVIC CENTER

Market Demand and Community Benefits Assessment

August 2022

PREPARED FOR:

Alliance

TABLE OF CONTENTS

Executive Summary **1**
Introduction 1
Market Demand Assessment 1
Community and Economic Benefits 2
Introduction and Methodology **5**
Introduction 5
Methodology 5
Capital Civic Center Facility Concept 7
General Market Overview **9**
Meeting and Conference Market 9
Resident Market 11
Comparable Facility Analysis **15**
Seaside Civic & Convention Center 15
Sitka Harrigan Centennial Hall 18
Sitka Performing Arts Center 22
Valdez Civic & Convention Center 23
Juneau Event Facilities 26
Current Facility Usage **28**
Current Usage of Centennial Hall and the JACC 28
Market Demand Assessment **33**
Economic and Community Benefits **38**
Economic Benefit to Juneau 38
Additional Community Benefits 42
Appendix **43**

LIST OF TABLES

Table 1. Hotel Rooms in Juneau's Downtown Core 10
Table 2. New Housing Units, City and Borough of Juneau, 2010 to 2020 13
Table 3. Daily Rental Fees for Seaside Civic & Convention Center 16
Table 4. Seaside Civic & Convention Center Revenues 16
Table 5. Seaside Civic & Convention Center Expenses 17
Table 6. Seaside Civic & Convention Center Deficit 17
Table 7. Daily Rental Fees for Harrigan Centennial Hall 19
Table 8. Harrigan Centennial Hall Revenues 19
Table 9. Harrigan Centennial Hall Expenses 21
Table 10. Harrigan Centennial Hall Annual Deficit 21

Table 11. Daily Rental Fees for Valdez Civic & Convention Center 24
Table 12. Valdez Civic & Convention Center Revenues 24
Table 13. Valdez Civic & Convention Center Expenses 25
Table 14. Valdez Civic & Convention Center Deficit 25
Table 15. Juneau Event Facilities, Rental Rates, and Maximum Capacities 27
Table 16. Centennial Hall and JACC Rental Days, 2017-2021 28
Table 17. Centennial Hall and JACC Rental Rates 29
Table 18. Centennial Hall and JACC Revenue, 2017 to 2021 30
Table 19. CBJ Appropriations for Centennial Hall Operations, 2018 to 2023 30
Table 20. Centennial Hall and JACC Expenses, 2017 to 2021 31
Table 21. Centennial Hall and JACC Deficit, 2017 to 2021 32
Table 22. Annual Demand Estimate for Capital Civic Center 35
Table 23. Year 1 Estimated Revenue 37
Table 24. Year 5 Estimated Revenue 37
Table 25. Estimated Spending on Conferences and Large Events, 2019 39
Table 26. Year 1 Estimated Spending Due to Conferences and Large Events 40
Table 27. Year 5 Estimated Spending Due to Conferences and Large Events 40
Table 28. Civic Center Construction Economic Impact 40
Table 29. New Civic Center Operations Annual Economic Impact 41

LIST OF FIGURES

Figure 1. Juneau Population, 2010 to 2021 and 2030 projected 11
Figure 2. Juneau School-Age Population (Age 5-19), 2010 and 2020 Actual, 2030 Forecast .. 12
Figure 3. Juneau Household Income, 2010 to 2020 12
Figure 4. Number and Percent of Estimated Event and Rehearsal Days by User Group Type.. 14
Figure 5. Number of User Groups Interested in Facility Spaces 34

Executive Summary

Introduction

McKinley Research Group conducted this market demand and community impact assessment to inform the design and planning process for the Capital Civic Center. The Capital Civic Center is envisioned as a multi-use civic and conference center that will enhance Juneau's prominence as a conference and meetings destination and the regional center of art, culture, and community engagement.

The current concept for the Capital Civic Center would incorporate Centennial Hall's newly renovated ballrooms, with this project underway and scheduled for completion in mid-2023. The Capital Civic Center would add a large community hall, a 299-seat theater with raked seating, a multi-use event space, six meeting rooms, a conference room, a gallery, a large lobby that can serve as an expo or reception space, a large commercial kitchen, concession area, a business center, and attractive outdoor spaces.

The upgraded facility will improve the quality of life of Juneau residents by serving as a modern venue for the performing arts, civic, and community events that make the capital city a great place to live. It will also strengthen the local economy by attracting new and larger conferences, thereby increasing visitor spending in the community. Upgraded amenities will better meet conference organizers' needs for modern and flexible conference and meeting space, ensuring Juneau remains competitive in the conference and meetings market.

The scope of the demand assessment included research on trends in the conference and meetings market in Juneau, current venues in Juneau and comparable facilities in Alaska and the Pacific Northwest, and the perspectives of a wide range of local performing arts, nonprofit, business and trade, and civic organizations and statewide event organizers familiar with Juneau's hosting capabilities. The research team also incorporated findings from past research conducted to inform the planning processes for the Willoughby Arts Center and the Juneau Arts and Culture Center (New JACC) in this study.

Market Demand Assessment

Juneau's competitive position in the Alaska conference and meetings market is due to its role as the Capital City and as a regional center for arts and culture. Juneau's strengths include the

attractive setting, rich culture and history, outdoor recreation opportunities (particularly in summer months), the safety and walkability of downtown with hotels and restaurants in close proximity, and better accessibility by air compared to other communities in Southeast.

Juneau also has unique market opportunities with government-related meetings. Legislative event organizers desire a meeting space in close proximity to the capitol building during sessions. Juneau was described by one event organizer as ideal for collaborating with other groups to organize events. The seasonality of many conferences, typically in fall and spring, complements the robust summer visitor season.

Demand for conference and meeting space by local organizations suggests consistent use of the proposed facility compared to historic use of Centennial Hall and the Juneau Arts and Culture Center (the JACC), with many performing arts and other event organizers planning a return to in-person convenings and events at this stage of the pandemic. Local groups are the primary users of Juneau's municipal convention and meeting facilities, Centennial Hall and the JACC.

DIFFERENTIATING FEATURES OF THE PROPOSED CIVIC CENTER

The proposed facility has several differentiating features compared to other Juneau facilities that could positively impact demand among arts and culture events and conference organizers. These include:

- Multi-purpose rooms with a range of sizes under one roof will provide flexible event spaces and the ability to host more than one event at the same time.
- The theater space will have raked seating and state of the art performance technology and can be used for performing arts events or as a lecture hall.
- The gallery space will help grow the creative economy and culture of Juneau, benefitting the artists in town through proceeds from art shows.
- Improved conference technology including lighting, acoustics, and technology support will attract event planners that want to provide a high-quality conference or performing arts experience.
- Outdoor spaces, such as the rooftop deck and patio, provide additional flexibility for event organizers.

Community and Economic Benefits

Civic and convention centers often have a dual mission to support and enhance cultural and civic life while inducing economic activity that might not otherwise occur in a community. Civic centers are important public spaces that enhance residents' quality of life by serving as gathering places for social and cultural events, fostering stronger social connections and civic pride.

The Capital Civic Center will benefit Juneau's cultural and civic organizations by providing a modern venue for performances and events. By concentrating arts programming in one location, a civic center can help strengthen a community's brand as an arts and culture center, support nonprofit and arts organizations, and help attract more artists and cultural organizations to Juneau. Local governments support civic centers in order to promote the growth of a vibrant cultural landscape in a community.

Anchor projects like the proposed civic center improve the vitality of a neighborhood and promote additional private investment and improvements in an area. Development in the area around Centennial Hall and the JACC presents an opportunity for Juneau to improve the desirability of a neighborhood within walking distance of the downtown core.

The anticipated economic benefits from the Capital Civic Center include the impacts from construction spending, wages for facility and event support staff, and visitor and conference organizer spending on hotel accommodations, food and beverage, retail, and increased tax receipts for the City from these activities.

The upgraded conference center will preserve and enhance Juneau's ability to attract and host high-quality conferences. Conferences and large events that attract non-residents have a larger economic impact than local events by bringing new spending on lodging, food, and other services into the local economy. Visitor spending from conference attendees generates additional sales tax and hotel-motel bed tax revenues for the community. The upgraded facilities will help Juneau remain competitive in the conference and events market.

Juneau's hotel-motel bed tax revenues have historically been designated funding sources for Centennial Hall operating costs. The recent increase from 7 to 9 percent was approved by voters with the intention of using the additional revenue to fund Centennial Hall capital improvements.

The hotel-motel tax also funds the work of Travel Juneau in promoting Juneau in the meeting and convention market. Nationwide and in other Alaska communities, civic centers are supported as a public good through hotel bed taxes or other municipal funding sources because their operations contribute to civic wellbeing and generate these types of economic impacts.

Projected spending in Juneau for conferences and large events utilizing the Capital Civic Center is estimated at nearly $7 million by Year 5. Increased economic activity results from a combination of increased conference and event capacity, new groups attracted to the community, and a modest increase in facility rental rates.

Year 5 Estimated Spending Due to Conferences and Large Events

	Conferences		Large Events	Total
	Non-residents	Juneau residents	Non-residents	
Attendees	4,510	935	2,975	8,420
Average days per event	2.3	2.3	4.3	
Individual spending, per day	$326	-	$100	
Event organizer spending per attendee, per day	$132	$132	-	
Total estimated direct spending	**$4,750,834**	**$283,866**	**$1,998,650**	**$7,033,350**

Construction of the $48 million facility will directly generate approximately 130 full-time and part-time jobs in Juneau and $10 million in labor income annually over the two-year construction period. Including multiplier effects, construction is expected to generate a total of 200 jobs with $13 million in total labor income annually over the two-year period.

Civic Center Construction Economic Impact

Direct jobs	130
Direct labor income	$10,000,000
Total jobs	200
Total labor income	$13,000,000

Spending by non-resident conference and event attendees and organizers generated an estimated $4.8 million in economic impact in 2019. With a new civic center, projected spending for conferences and large events is anticipated to increase to nearly $6.6 million in the first year of operations, increasing to an estimated $7 million annually by the fifth year of operations.

New Civic Center Operations Annual Economic Impact

Total User Spending	
Baseline user spending	$4.8 million
New user spending	$2.2 million
Total with new civic center	$7.0 million
Total Jobs from User Spending	
Total baseline jobs	65
Total new jobs	25
Total with new civic center	90
Total Labor Income from User Spending	
Total baseline labor income	$2 million
Total new labor income	$0.9 million
Total with new civic center	$2.9 million

Introduction and Methodology

Introduction

This study assesses demand and potential community impacts of a multi-purpose convention and performing arts center in Juneau. The Capital Civic Center would be designed to accommodate small conferences and trade shows, meetings, banquets, performing arts events, and other functions. The Capital Civic Center would expand Centennial Hall to include Centennial Hall's renovated ballrooms, and add a large community hall, a theater with a stage and raked seating, a gallery, meeting rooms, a conference room, a business center, commercial kitchen, concession area, and shared office space. The Juneau Arts and Culture Center (the JACC, the repurposed Armory located near Centennial Hall) would be demolished.

Methodology

The scope of work for this market demand study included interviews with local and in-state user groups of Centennial Hall and the JACC, meetings and events industry professionals, facility managers of comparable facilities in Alaska and the Pacific Northwest, and research on existing venues in Juneau. The project team also reviewed findings from previous studies, including demand projections for similar facilities and economic impact studies for Juneau's convention and visitor markets.

MARKET DEMAND

Interviews were conducted with 30 Centennial Hall and JACC users including nonprofit organizations, businesses, government agencies, civic organizations, and performing arts groups. Data and insights were collected concerning meeting and event frequency, group size, current facility usage, approximate resident/non-resident participation, and benefits or concerns resulting from upgrading Centennial Hall as proposed to understand how the upgraded facility will impact the overall number of events held, attendance and ticket sales, and other revenues.

The study team conducted interviews with 9 experts outside of Juneau including professional meeting planners and statewide associations about anticipated usage and market response to the upgraded facility. Interview questions also explored how Covid-19 may impact near-term and future demand for the facility and the meetings market in Alaska. The list of contacts is included in the Appendix.

COMPETITIVE ANALYSIS

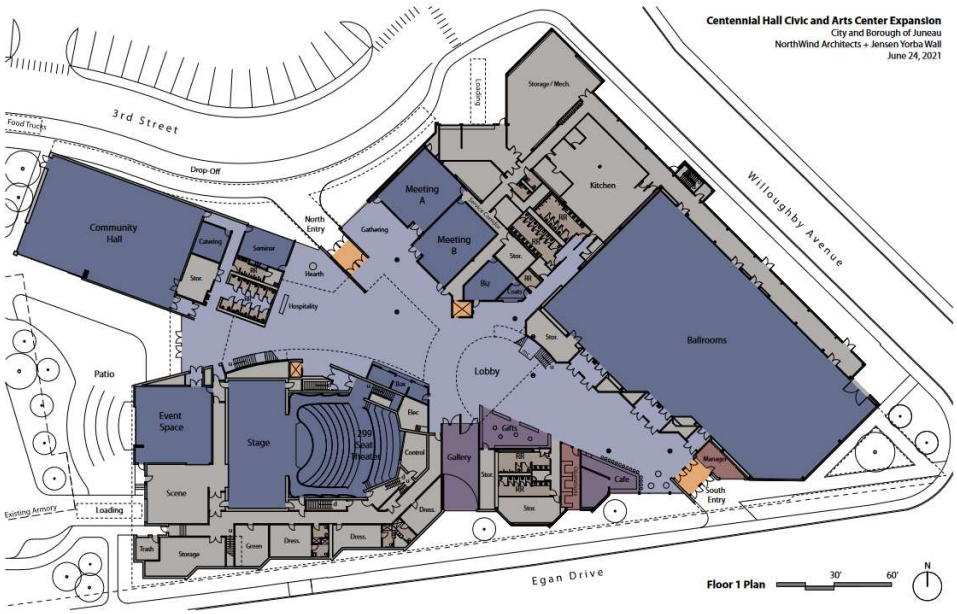
The study team gathered information about four comparable facilities in other communities, including facility size, configuration, rates, marketing, operating budget, and estimates regarding resident versus non-resident usage and economic impacts. Interviews were conducted with facility managers and the finance directors for the City of Sitka and City of Valdez. Facilities included in the research included Sitka's Harrigan Centennial Hall, Sitka Performing Arts Center, Valdez Civic & Convention Center, and Seaside Civic and Convention Center in Seaside, Oregon.

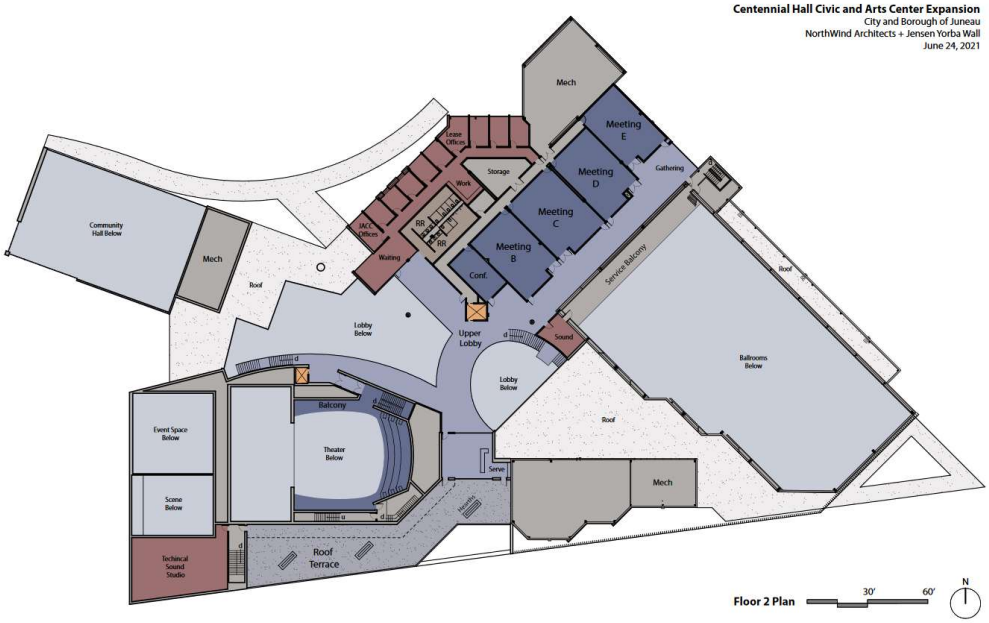
The study team also collected information from a combination of sources including published information and recent studies on existing meeting, event, and performance venues in Juneau, including maximum occupancy, rates, and space advantages and limitations.

ECONOMIC IMPACT AND COMMUNITY BENEFIT ASSESSMENT

Estimates were developed for facility demand and revenue scenarios using information gathered throughout this project and prior work by McDowell Group. The potential economic impacts of facility construction and future operation were based on the demand assessment and preliminary construction estimates provided by the City and Borough of Juneau. Particular attention was paid to the role the upgraded complex has in attracting non-residents and new spending to the community, as the strongest impacts are due to new spending in the local economy.

Capital Civic Center Facility Concept





ROOM SPECIFICATIONS

Ballroom:12,440 square feet. Capacity: 1,088 (theater-style), 600 (banquet). Ballroom can be divided into three separate rooms.

Community Hall: 3,220 square feet. Capacity: 460 (theater-style), 215 (banquet).

Theater: 6,190 square feet. Capacity: 299 (fixed seats). This includes a main level of 2,984 square feet, balcony of 1,148 square feet, and stage of 2,058 square feet.

Event Space: 1,120 square feet. Capacity: 160.

Gallery: 525 square feet. Capacity: 75.

6 Meeting Rooms: 1,000 square feet (each). Capacity: 100-140 (each).

Conference room: 400 square feet. Capacity: 25.

Lobby: 12,000 square feet. Capacity: 1,088 (reception), 850 (Expo).

Business Center: 400 square feet. Capacity: 25.

General Market Overview

The Capital Civic Center is expected to enhance Juneau's competitive position and generate new economic activity by improving the community's ability to attract small and mid-sized conventions, conferences, and meetings from in-state and select out-of-state markets. The facility would continue to act as a public resource for the community, with demand from local user groups expected to remain consistent with pre-pandemic usage of Centennial Hall and the JACC.

Market segments include:

- Local performing arts groups, civic groups, educational organizations, internal business meetings, stakeholder meetings, employee training sessions, fundraising banquets, and receptions.
- Local private events including weddings, funerals and memorials, or retirement parties.
- Regional and state association meetings and conferences.
- Small conferences, meetings, and events from outside Alaska.

Meeting and Conference Market

STRENGTHS IN THE EVENTS AND MEETINGS MARKET

Demand for a venue in the convention and meetings market depends on many factors, including the appeal of the destination; the condition, capacity, and amenities of the facility; the safety of the area around the convention center; walkability to hotels, restaurants, and entertainment; quality and quantity of hotels; and travel costs.

From a competitive standpoint, Juneau's strengths for attracting meetings and conferences are its beautiful natural setting, rich culture and history, outdoor recreation opportunities (particularly in summer months), the safety of the area around Centennial Hall and the JACC, hotels and restaurants in close proximity, and better accessibility by air compared to other communities in Southeast.

As the state capital, Juneau also has unique market opportunities with government-related meetings. Legislative event organizers desire a meeting space in close proximity to the capitol during session so that legislators can attend their meetings and meeting attendees can attend legislative sessions or meet with legislators in their offices.

Juneau was described by one event organizer as ideal for collaborating with other groups to organize events. Travel Juneau has a dedicated team and budget to provide group planning

services for event organizers, including securing competitive hotel room rates, referrals for excursions and activities based upon the group's interests and activity levels, and assistance with itinerary development.

CHALLENGES IN THE EVENTS AND MEETINGS MARKET

Challenges include high travel costs and inconvenience (especially in contrast to destinations accessible by road), lack of ground transportation, the current hotel inventory, the unappealing convention facilities, outdated audio-visual technology, limited catering options, limited winter recreation opportunities, and weather.

Travel and Transportation

Ease of travel is important to convention attendees. Juneau is not as accessible as cities in Alaska or the Pacific Northwest, requiring longer travel time or overnights. Travel costs to Juneau can be high, particularly in the summer months. This may change going forward, with Delta Airlines announcing in May 2022 that the company is resuming year-round service to Juneau; expanded air service has resulted in lower fares and increased air travel in prior years. However, once visitors arrive in Juneau, there are a limited number of taxis or shuttles for conference attendees.

Hotel Inventory

Quality hotel room inventory in close proximity to a convention center is a key factor in attracting non-local events. Event planners stated a preference for hotel beds within one-half to one mile from the convention facility. Event planners often prefer to hold events at hotels with meeting or conference space so that major components of an event are under one roof, and hotels frequently offer meeting space for free or at discounted rates with room blocks.

The limited supply of hotel beds in Juneau within close proximity to the civic center is a constraint in attracting large conferences, trade shows, or other events. Juneau has approximately 1,100 hotel beds, with 533 in the downtown core. The Baranof Hotel will now be closed October through April, removing 215 beds from the hotel inventory during the winter months.

Table 1. Hotel Rooms in Juneau's Downtown Core

	Number of Rooms
Baranof Hotel (May-September only)	215
Four Points by Sheraton	106
Juneau Hotel	72
Ramada by Wyndham	62
The Driftwood Hotel	62
Silverbow Inn	16
Total rooms in the downtown core	**533**
Total rooms in the downtown core during winter	**318**

Hotel blocks are hard to find during summer months due to the many visitors and business travelers. During winter and spring months, downtown rooms are in demand from the Legislature and staff, state officials traveling during session, and constituents. The quality of hotel rooms and affordability – especially during the visitor season – are some of the other challenges with Juneau's supply of hotel rooms.

Conference Facility and Technology

Several user groups commented on the outdated City-owned facilities. Some event hosts prefer facilities with the technology to support hybrid meetings. Event planners reported that organizing events in Juneau was more challenging than in Anchorage and required their team to be more creative and dedicate more time to finding audio-visual (AV) equipment and contractors providing IT and conference technology support, due to the lack of modern equipment and dedicated facility staff with conference tech skills.

Outdoor Recreation

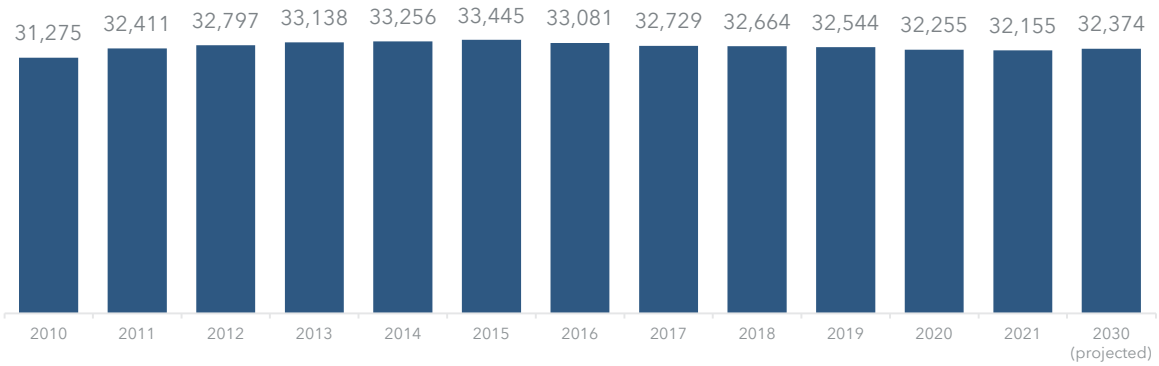
Outdoor recreation opportunities (such as hiking, flightseeing, or boat tours) are primarily available in summer months in Juneau, with limited winter attractions in the off-season. Weather is another factor, with moderate climates preferred by many event attendees and organizers.

Resident Market

POPULATION TRENDS

Population serves as a base from which events can draw attendance, event organizers, and sponsors. Juneau's population decreased by 1,290 residents (4%) between 2015 and 2021, Alaska's population decreased by 1% over the same period. The Juneau population is projected to remain flat over the next decade.

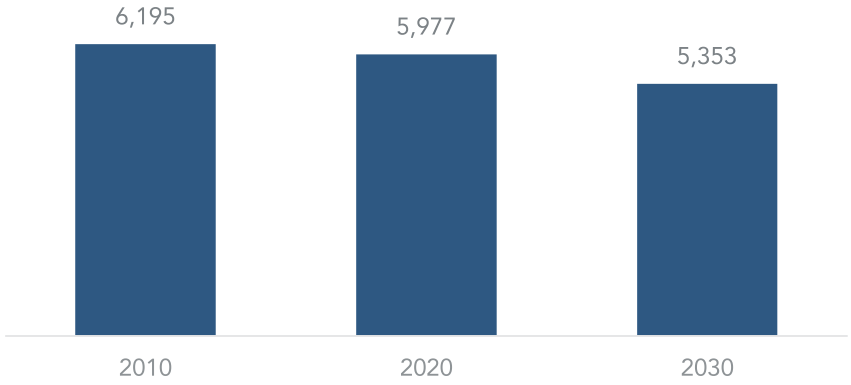
Figure 1. Juneau Population, 2010 to 2021 and 2030 projected



Source: Alaska Department of Labor and Workforce Development

As Juneau's population ages, the school-age population (age 5-19) is projected to decline 10% between 2020 and 2030.

Figure 2. Juneau School-Age Population (Age 5-19), 2010 and 2020 Actual, 2030 Forecast

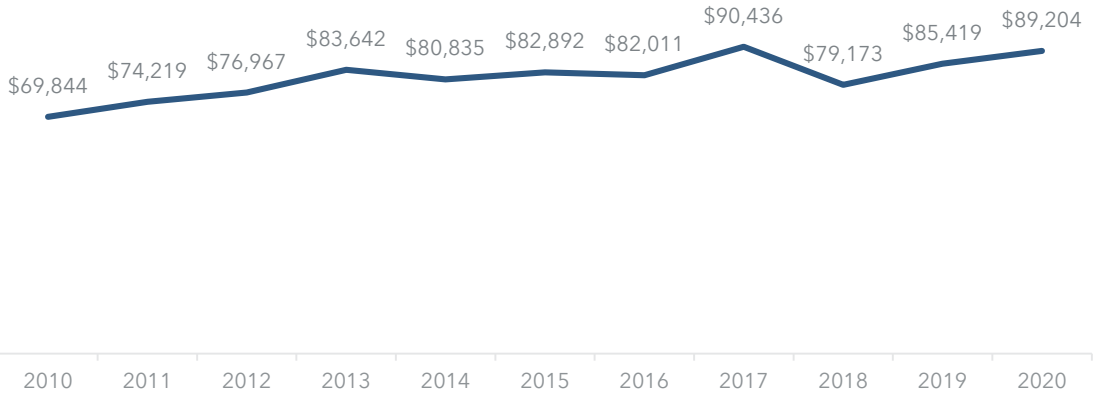


Source: Alaska Department of Labor and Workforce Development.

HOUSEHOLD INCOME

People in households with higher incomes are more likely to attend performing arts and civic events. Median household income for Juneau residents was $89,204 in 2020. Median household income increased approximately 28% between 2010 and 2020.

Figure 3. Juneau Household Income, 2010 to 2020



Source: US Census Bureau.

HOUSING STARTS

Based on building permit data provided by ADOLWD, Juneau added 717 housing units between 2015 and 2020, including 341 single-family homes and 376 multifamily units.

Table 2. New Housing Units, City and Borough of Juneau, 2010 to 2020

	Single-Family	Multi-Family	Mobile Home	Total New Units
2010	40	17	-	57
2011	49	2	-	51
2012	31	24	-	55
2013	61	65	6	132
2014	51	168	1	220
2015	76	20	-	96
2016	69	172	-	241
2017	45	22	1	68
2018	53	19	-	72
2019	46	137	-	183
2020	52	6	-	58

Source: DOLWD and AHFC.

EVENT INDUSTRY TRENDS

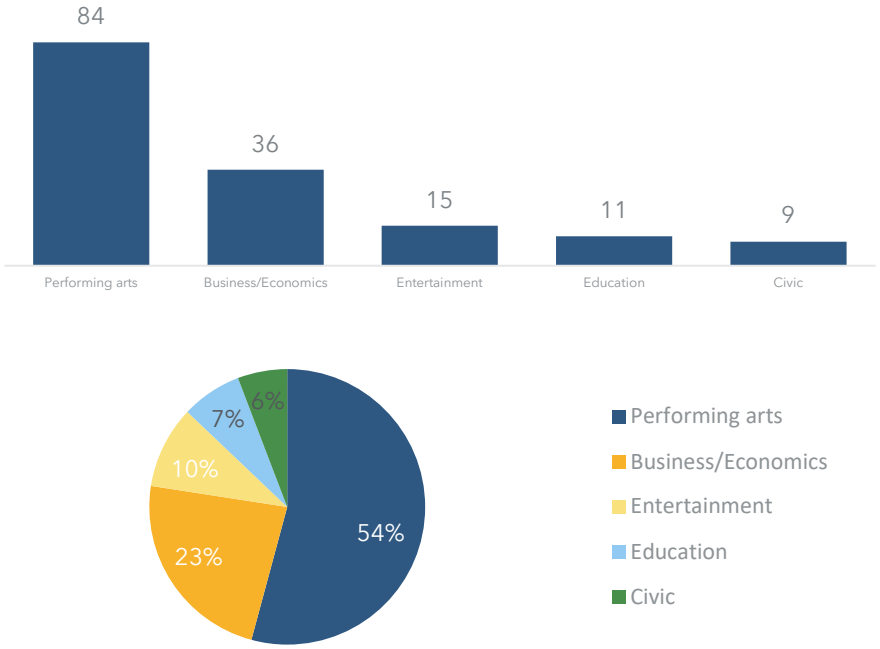
National forecasts suggest it may take one to two more years for the in-person meeting market to return to pre-pandemic levels[1]. In response to the pandemic, event industry professionals reported that some organizations are planning smaller events, increasing the spacing between attendees at events, using outdoor spaces (particularly for dining), serving plated or boxed meals rather than buffet-style food service, or planning hybrid events that mix in-person and virtual components. Another recent trend reported by event professionals is an increase in "bliesure" travel, with event attendees extending their business trips to spend time vacationing and sightseeing at their destination.

Event marketing professionals interviewed for this study reported an increase in in-person events both in Alaska and nationwide at the current phase of the pandemic. Local user groups in Juneau on the whole reported that their organizations were planning on resuming in-person events and performances similar to pre-pandemic levels in 2022 and 2023. The 30 local user groups who participated in this study represent performing arts, business and economics, entertainment, education, and civic organizations. (Additional interviews were conducted with associations and meeting planners outside of the community.)

[1] 2022 Global Meetings and Events Forecast, American Express Meetings & Events, https://www.amexglobalbusinesstravel.com/press-room/american-express-meetings-events-global-forecast-optimism-and-growth-in-2022/

Together, user groups provided an estimate of 155 days in 2023, including setup/rehearsal and performance/event days. Among these user groups, performing arts groups represented 54% of estimated event days, business or economics groups (including those holding legislative events) represented 23% of event days, with other general entertainment, education and civic events making up the remaining days. It should be noted that these user groups represent only a sample of all groups that have used Centennial Hall and the JACC in recent years, and projected usage and revenue estimates developed for this study include a wider range of user groups and additional event and setup days.

Figure 4. Number and Percent of Estimated Event and Rehearsal Days by User Group Type



Comparable Facility Analysis

Interviews were conducted with facility managers for four comparable facilities in Sitka and Valdez, Alaska and Seaside, Oregon to provide insights to inform the planning for the Capital Civic Center. Interviews were also conducted with staff at Discover Valdez and Visit Sitka. Information was gathered about the typical markets served by these facilities, rental rates, revenues and operating expenses, and descriptions of the facilities' amenities. Comparable facilities in Valdez and Sitka are used extensively by local residents and community groups for meetings, fundraising banquets, weddings, graduations, and performing arts events. Both communities attract some in-state conferences, although opportunities for smaller communities to compete are restricted by some of the larger groups.

Seaside Civic & Convention Center

Location: Seaside, Oregon
Population (2020): 6,811

Seaside is a small coastal community about 90 miles west of Portland, Oregon. Seaside has a 24,600 square-foot civic and convention center that is city-owned and operated. The facility was renovated in 2019. The convention center has a large exhibit hall and stage, a ballroom divisible into two separate rooms, 12 meeting rooms, additional flexible meeting space, concession area, and on-site catering. Alcohol service is permitted. The facility has 10 full-time employees.

Seaside is a resort town and has a strong inventory of 1,400 hotel beds, 400 within walking distance of the convention center. The community's amenities include hiking, birdwatching tours, surfing, kayaking, canoeing, bike tours, historical landmarks from the Lewis and Clark expedition, a skate park, and an aquarium.

The closest airport is in Portland, and the 90-mile drive due to lack of air or train service is a challenge to attracting a national conference market. Most events come from the in-state market such as the Oregon District Attorney's Association, Coalition of Oregon School Administrators Convention, the Sea Pac Ham Convention, Oregon Scholastic Chess Federation State Championship, and the Miss Oregon Scholarship Pageant.

Seaside Civic & Convention Center was developed with the primary objective of promoting and facilitating events and activities that generate economic benefits to the area. Estimates for the economic impact for the community range from $29 million to $36 million annually from 2016 to 2019, decreasing to $5 million in 2020 due to pandemic shutdowns.

The Center has a dedicated annual marketing budget of $70,650 to promote Seaside as a destination for conventions and events. To help maximize the economic impact from the convention center, the facility has a priority scheduling policy, including a much longer advance booking window, to promote bookings by out-of-town organizations. An estimated 85% of events are hosted by out-of-town guests and 15% from in-town civic and nonprofit organizations and businesses. The facility is used an average of 260 event days annually (pre-COVID levels). Occupancy ranged from 58% to 68% between 2016 and 2019, with occupancy falling to 28% in 2020 due to the pandemic.

Table 3. Daily Rental Fees for Seaside Civic & Convention Center

Room	Daily Rates		
	Ticketed Event	Civic Related	Community Fundraising
Entire facility	$1,600 or 10% of ticket sales (greater amount)	$400	$300
Exhibit hall & stage	$1,300 or 10% of ticket sales (greater amount)	$300	$200
Ballroom	$1,100 or 10% of ticket sales (greater amount)	$300	$200
Conference rooms	$300 (1 room) - $500 (3 rooms)		
Meeting rooms	$40 (1 room) - $100 (4 rooms)		

REVENUES

Alcohol is the largest source of revenue from events, followed by room rentals and convention fees. Operating costs for Seaside Civic & Convention Center are funded by a hotel room tax of 12%. The civic center has received between $2.4 million and $3.6 million in room tax revenue annually to cover operations since 2017/2018.

Table 4. Seaside Civic & Convention Center Revenues

	2017/2018 Actual	2018/2019 Actual	2019/2020 Actual	2020/2021 Budget	2021/2022 Budget
Food & Liquor	$947,266	$675,346	$781,830	$1,000,000	$1,000,000
Room rentals	$91,827	$67,966	$64,813	$80,000	$80,000
Convention fees	$20,801	$9,159	$15,165	$25,000	$25,000
Total Revenues	**$1,059,894**	**$752,471**	**$861,808**	**$1,105,000**	**$1,105,000**

Source: City of Seaside.

EXPENSES

Expenses for Seaside Civic & Convention Center were approximately $2.1 million in 2019/2020, with payroll accounting for 45% of expenses.

Table 5. Seaside Civic & Convention Center Expenses

	2017/2018 Actual	2018/2019 Actual	2019/2020 Actual	2020/2021 Budget	2021/2022 Budget
Salaries, wages, and benefits	$1,052,039	$1,002,041	$987,269	$1,075,587	$1,122,630
Professional/Contractual services	$191,274	$63,317	$72,535	$100,000	$100,000
Utilities	$64,747	$76,805	$92,000	$92,000	$92,000
Insurance	$160,259	$63,338	$69,827	$80,000	$80,000
Marketing	$68,680	$49,801	$38,475	$70,650	$70,650
Other operating expenses	$1,053,721	$825,121	$848,786	$1,055,800	$1,055,800
Total Expenses	**$2,590,720**	**$2,080,423**	**$2,108,892**	**$2,474,037**	**$2,521,080**

Source: City of Seaside.

DEFICIT

Seaside Civic & Convention Center operated at a deficit of $1.2 million in 2019/2020. The 3-year average from 2017/2018 to 2019/2020 was $1.4 million, an average annual deficit of 61%.

Table 6. Seaside Civic & Convention Center Deficit

	2017/2018 Actual	2018/2019 Actual	2019/2020 Actual	2020/2021 Budget	2021/2022 Budget
Total revenues	$1,059,894	$752,471	$861,808	$1,105,000	$1,105,000
Total expenses	$2,590,720	$2,080,423	$2,108,892	$2,474,037	$2,521,080
Revenues minus expenses	**-$1,530,826**	**-$1,327,952**	**-$1,247,084**	**-$1,369,037**	**-$1,416,080**
Percent of expenses not covered by revenue	**59%**	**64%**	**59%**	**55%**	**56%**

Source: City of Seaside.

Sitka Harrigan Centennial Hall

Location: Sitka, Alaska
Population (2020): 8,569

Harrigan Centennial Hall is a 32,000 square-foot, City-owned convention center on the waterfront in downtown Sitka. The facility originally opened in 1967, and a major renovation was completed in 2015-2016. The facility employs 5 (FTE) staff members. Harrigan Centennial Hall also houses the nonprofit Sitka History Museum operated by the Sitka Historical Society.

The footprint of the main auditorium was not changed with the renovation of Harrigan Hall. The auditorium/theater has capacity of 500, seated theater-style (700 for receptions). The maximum banquet size is 250, which was described as a key limitation in attracting large conferences to Sitka. Limited storage space for tables and chairs was described as another factor limiting the potential event size at the upgraded facility.

The number of small meeting rooms was increased from four to seven, each with capacity of 40-100, and the lobby was made larger with the renovation. These changes have allowed the facility to be used in new and more efficient ways than the previous design. The facility has a commercial kitchen but does not have an on-site caterer. Alcohol service is allowed.

The majority of facility rentals are made by local organizations. Out-of-town groups typically represent about 15% of reservations and these groups are mostly in-state organizations, rather than out-of-state. Examples of recent or upcoming conferences held at Harrigan Centennial Hall include Sitka Summer Fest, the Heritage and Cultural Tourism Conference hosted by Sitka Tribe of Alaska and Central Council of Tlingit & Haida, the Alaska Travel Industry Association (ATIA) Annual Convention and Trade Show, and a Summer Legislative Conference hosted by Alaska Municipal League. ATIA is an example of an organization that limits hosting opportunities for small communities like Sitka to every four years. The other three years, ATIA rotate between Anchorage, Fairbanks, and Juneau.

Visit Sitka has a dedicated marketing budget of $20,000 to $30,000 in FY2023 to promote Sitka as a destination for conventions and events. Due to the capacity of the auditorium, Visit Sitka is focused on promoting Harrigan Centennial Hall in the small conference market. Visit Sitka attracts conventions and events by direct marketing at trade shows, bidding on conferences, and developing print campaigns, and has just released a new toolkit for convention planners. Demand is growing steadily from in-state organizations, but event size remains the same as before renovation because the size of the main auditorium did not change.

Daily rates for the entire facility range from $685 for nonprofit organizations to $2,030 for commercial users.

Table 7. Daily Rental Fees for Harrigan Centennial Hall

Room	Seating Capacity	Daily Rates		
		Commercial	General Use	Non Profit
Entire facility		$2,030	$1,360	$685
Auditorium	500	$620	$415	$205
Meeting room (1)	100	$250	$170	$85
Meeting room (2)	40	$140	$95	$45
Meeting room (3)	60	$155	$105	$50
Meeting room (4)	n/a	$65	$40	$25
Meeting room (5)	40	$135	$90	$45
Meeting room (6)	100	$265	$175	$90
Meeting room (7)	n/a	$100	$70	$40
Kitchen		$400	$300	$200

REVENUES

Room rentals are the primary source of revenue for Harrigan Hall. There was almost no revenue in 2016, as the facility closed for renovation from August 2015 through early 2017. Since the renovation, revenues have increased from an annual average of $60,000 (based on a 4-year average 2012 through 2014, the last full years of operation before the remodel) to $106,000 (the 2018 to 2019 average, post-remodel). Demand for the facility declined significantly in 2021 due to the pandemic.

Table 8. Harrigan Centennial Hall Revenues

	2014	2015	2016	2017	2018	2019	2020	2021
Room rentals	$56,070	$44,390	$970	$52,992	$109,471	$102,461	$100,603	$35,709
Total Revenues	**$56,070**	**$44,390**	**$970**	**$52,992**	**$109,471**	**$102,461**	**$100,603**	**$35,709**

Source: City and Borough of Sitka.

EXPENSES

Harrigan Hall expenses totaled nearly $700,000 in 2019, the last normal year of operation before the pandemic. Approximately 66% of 2019 expenses were for salaries, wages, and benefits (65% of expenses in 2021). The significant increase in data processing fees after 2015 is not due to new technology at the facility, but due to changes made by the City & Borough of Sitka's Finance Department to the allocation of expenses for centralized IT services across City departments and facilities.

DEFICIT

Harrigan Centennial Hall operated at a deficit of $518,000 in 2019. The 3-year average from 2017 to 2019 was $466,000, an average deficit of 84%. The City and Borough of Sitka collects a 6% bed tax but this is not a dedicated stream of funding for the facility. Harrigan Centennial Hall is funded as a government service through the municipal general fund.

Table 9. Harrigan Centennial Hall Expenses

	2014	2015	2016	2017	2018	2019	2020	2021
FTE payroll	$179,759	$186,386	$172,619	$180,997	$208,289	$235,104	$280,218	$224,516
Fringe benefits	$176,776	$218,509	$134,810	$142,505	$177,755	$192,624	$224,052	$208,838
Utilities	$50,609	$44,950	$5,666	$51,370	$61,317	$63,955	$60,994	$64,000
Building repair and maintenance	$32,370	$27,313	$13,505	$13,951	$21,176	$19,728	$28,730	$46,614
Data processing fees	$7,284	$7,363	$27,672	$26,308	$57,426	$61,348	$60,864	$64,642
Insurance	$6,957	$15,816	$11,933	$18,174	$20,393	$20,675	$24,142	$34,219
Contracted/purchased services	$0	$7,800	$71,316	$34,827	-$487	$0	$4,785	$7,499
Other operating expenses	$16,223	$15,012	$9,398	$14,155	$14,186	$27,614	$16,163	$17,478
Total Expenses	**$469,978**	**$523,149**	**$446,919**	**$482,287**	**$560,055**	**$621,048**	**$699,948**	**$667,806**

Source: City and Borough of Sitka.

Table 10. Harrigan Centennial Hall Annual Deficit

	2014	2015	2016	2017	2018	2019	2020	2021
Total Revenues	$56,070	$44,390	$970	$52,992	$109,471	$102,461	$100,603	$35,709
Total Expenses	$469,978	$523,149	$446,919	$482,287	$560,055	$621,048	$699,948	$667,806
Revenues minus expenses	**-$413,908**	**-$478,759**	**-$445,949**	**-$429,295**	**-$450,584**	**-$518,587**	**-$599,345**	**-$632,097**
Percent of expenses not covered by revenues	**88%**	**92%**	**100%**	**89%**	**80%**	**84%**	**86%**	**95%**

Source: City and Borough of Sitka.

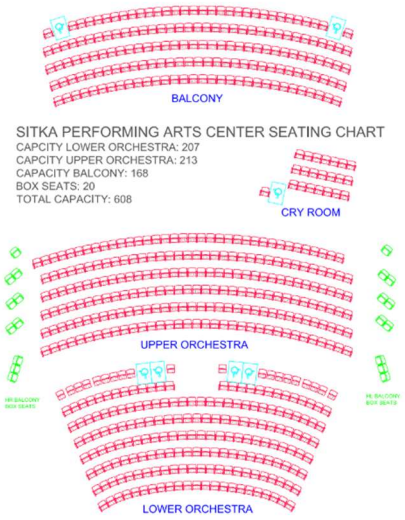
Sitka Performing Arts Center

Location: Sitka, Alaska
Population (2020): 8,569

Sitka Performing Arts Center is a 35,000 square-foot facility built in 2008. The facility is owned by the Sitka School District and managed by The Sitka Fine Arts. The center has a 608-seat theater with raked seating, a stage with an acoustic sound shell, and a variable-height orchestra pit.

On average, the facility is used for 50 school days, rented 20 days of the year, and there are typically 20 shows promoted and presented by the Sitka Performing Arts Center. Typical attendance is 250-500. Nearly all facility users are from Sitka. It is a versatile space and used for a wide variety of performances including rock bands, concert bands, musicals, plays, radio theater, conferences, dance shows, awards shows, high school wrestling matches, and film showings.

There is a flat fee of $1,000 to rent the facility for an 8-hour day. There is full-time employee (1 FTE), but that position is also the tech director for another venue for the PAC. The house manager and ushers are volunteers. There is no dedicated marketing budget for the PAC.



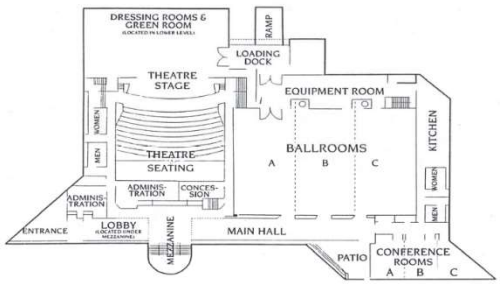
The PAC makes a profit from ticket sales for shows presented by The Sitka Fine Arts but does not earn significant revenue from the PAC as a rentable venue. In 2019, the PAC brought in about $17,000 from rentals. In 2021, user rentals decreased to $7,500. User rentals have increased in 2022. Expenses are for the technical director position salary ($50-60K) with utilities paid for by the school district. Operating costs are subsidized by revenue from other campus rentals and ticket revenue.

Valdez Civic & Convention Center

Location: Valdez, Alaska
Population (2020): 3,855

The Valdez Civic & Convention Center was built in 1982 and is located near downtown Valdez. It is owned and operated by the City of Valdez. The facility has 4.6 full-time employees (FTE). Valdez is accessible by road, air, and water. Several daily non-stop flights link directly with Anchorage International Airport. Auto and motorcoach connections are made by driving the Richardson and Glenn Highways. The community is also accessible by Alaska Marine Highway and private vessels.

The Valdez Convention and Civic Center encompasses 23,000 square feet. The facility has a theater that seats 487 with raked seating, a green room, lobby, and concession area, modern lighting and sound equipment, and dressing rooms. The theater is used as a community movie theater as well as for performances.



The facility also has a 6,464 square-foot ballroom that can be segmented into three separate rooms for flexible meeting arrangements, a main hallway that can house exhibits or trade show booths, a professional kitchen for catering, and separate conference rooms for smaller groups. Approximately 500 people can be seated theater-style in the ballroom or 400 people in banquet seating using a combination of oval and rectangular tables. Alcohol service is allowed at the facility. There are 186 parking spaces with fees for parking.

The majority of ballroom rentals are by local organizations and nonprofits, while the theater, when reserved as an event space, is more often rented by out-of-town groups. The facility manager estimates 85% of meetings and events are local. The Valdez Civic & Convention Center has a dedicated annual marketing budget of approximately $5,000 for attracting conferences and meetings.

Examples of recent or upcoming conferences and events include the annual Last Frontier Theatre Conference hosted by Prince William Sound College, Valdez STOL Fly-In and Air Show and Pilots' Dinner, performing arts events and concerts sponsored by Valdez Arts Council, and the 2022 annual meeting of Museum Alaska. The theater is rented an average of twice a week by cruise companies in the summer months for visitors featuring movies about Valdez (full-day rentals). Demand was reported to be increasing in 2022 after reduced demand in 2020 and 2021 due to the pandemic.

Daily rates for the entire facility range from $690 for nonprofit organizations to $1,380 for commercial users.

Table 11. Daily Rental Fees for Valdez Civic & Convention Center

	Daily Rates		
Room	Commercial	Local Resident	Non Profit
Entire facility	$1,380	$1,104	$690
3 ballrooms	$690	$552	$345
2 ballrooms	$460	$391	$230
1 ballroom	$230	$184	$115
Conference room	$150	$120	$75
Theater complex	$518	$415	$259

REVENUES

Valdez Convention and Civic Center revenues averaged approximately $237,000 annually from 2017 to 2019. Revenues fell sharply in 2020 and 2021 due to the pandemic. Typical revenues for the Valdez Convention and Civic Center rely heavily on movie ticket and concession sales which accounted for nearly three-quarters (71%) of 2019 revenue. In 2019, facility rentals fees were about 20% of revenues ($49,000).

Table 12. Valdez Civic & Convention Center Revenues

	2017	2018	2019	2020	2021
Room rentals	$45,279	$41,090	$48,756	$3,710	$11,442
Catering	$16,578	$25,684	$23,219	$1,075	$12,300
Concessions	$72,602	$72,124	$73,538	$21,369	$23,052
Movies	$94,723	$93,673	$103,052	$23,385	$27,773
Total Revenues	**$229,182**	**$232,571**	**$248,566**	**$49,538**	**$74,566**

Source: City of Valdez.

EXPENSES

Approximately 65% of Valdez Civic and Convention Center's 2021 operating costs were for salaries, wages, and benefits.

Table 13. Valdez Civic & Convention Center Expenses

	2017	2018	2019	2020	2021
FTE payroll	$377,916	$395,936	$420,234	$445,482	$457,881
Other personnel	$132,644	$52,955	$54,962	$18,202	$53,538
Other operating	$63,179	$117,583	$126,438	$76,536	$139,254
Contracts	$10,601	$3,767	$2,112	$5,916	$12,654
Utilities	$115,343	$132,829	$119,963	$108,334	$120,480*
Total Expenses	**$699,683**	**$703,070**	**$723,709**	**$654,470**	**$783,807**

Source: City of Valdez.

DEFICIT

Valdez Civic & Convention Center operated at a deficit of $475,000 in 2019, the last normal year of operation before the pandemic. The 3-year average deficit was $472,000 from 2017 to 2019, an average of 67%. The City of Valdez collects a 6% bed tax, but these revenues are allocated to the Valdez Convention & Visitors Bureau to promote visitation. Operating funds for Valdez Civic & Convention Center come from municipal general funds.

Table 14. Valdez Civic & Convention Center Deficit

	2017	2018	2019	2020	2021
Total Revenues	$229,182	$232,571	$248,566	$49,538	$74,566
Total Expenses	$699,683	$703,070	$723,709	$654,470	$783,807
Revenues minus expenses	**-$470,501**	**-$470,499**	**-$475,143**	**-$604,932**	**-$709,241**
Percent of expenses not covered by revenues	**67%**	**67%**	**66%**	**92%**	**90%**

Source: City of Valdez.

Juneau Event Facilities

Much of Juneau's significant cultural events occur in spaces not well-equipped to host them. This section provides an overview of existing event facilities in Juneau, a summary of capacity, and rental rates. Some of the key issues that limit the use of these facilities for events, meetings, and conferences include other primary uses (high school auditoriums and churches), lack of hotel rooms in close proximity, walkability of the areas (high schools), limited staffing, and size.

Centennial Hall: With a capacity of 1,100 seated theater-style, Centennial Hall is frequently used for meetings, conferences, events, and banquets. The main ballroom can be divided into two or three individual halls. Maximum banquet seating is 610. The flat floor and acoustics are a limitation for performances.

High School Auditoriums: The JDHS auditorium has a capacity of 1,000, and TMHS auditorium has a capacity of 500. Aside from the Egan Lecture Hall at UAS, the high school auditoriums are the only raked-seating venues. Limited staffing at the high school auditoriums means only one facility can be used at a time, and only when school-related use permits outside events.

Juneau Arts and Culture Center (JACC): The main hall has a maximum banquet capacity of 240. The space is heavily utilized despite the flat floor, extremely limited kitchen facilities, and modest aesthetics.

Elizabeth Peratrovich Hall: Recently upgraded, the hall has a maximum banquet capacity of 404 (500 theater-style), sub-dividable space, contemporary audio-visual systems, a stage, and a fully equipped commercial kitchen.

Father Andrew P. Kashavaroff (APK) Library, Archives, and Museum Building: Operated by the State of Alaska, the facility has several spaces that can be used for performances, lectures, and events. Maximum capacity in the atrium is 240, small meeting room is 150, and museum gallery is 350. Private event rentals in the atrium cannot take place during regular business hours.

Chapel by the Lake: The facility seats 250 in the main sanctuary and 75 in Smith Hall. It is frequently used for performances, rehearsals, and events.

Northern Lights Church: The main sanctuary has capacity of 210, and the fellowship hall has a capacity of 80.

Church of the Holy Trinity: Three spaces are available for performances and events: McPhetres Hall, the main sanctuary, and a conference/rehearsal room. The hall and conference area can hold 80 to 175 people, depending on seating configuration. The sanctuary seats 130.

Resurrection Lutheran Church: The church has a capacity of 100.

Table 15. Juneau Event Facilities, Rental Rates, and Maximum Capacities

Facility	Facility Type	Maximum	Rental Rates
Centennial Hall	Multi-purpose: convention center, concert/dance hall	1,100	$350-$1,040 1-9 hours, $495-$1,571 9-20 hours
JDHS Auditorium	Performing arts space for high school, used by community	1,000	$52-$276/hour
TMHS Auditorium	Performing arts space for high school, used by community	500	$58-$240/hour
Juneau Arts and Culture Center (JACC)	Multi-purpose: convention center, concert/dance hall	290	$175-$540 5-9 hours, $250-$750 10-24 hours
CCTHITA Elizabeth Peratrovich Hall	Multi-purpose: convention center, concert/dance hall	500	Full day: $160-$780 half day: $110-$470 Kitchen: $150-$200
APK State Library, Archives, and Museum Building	Library, archives, and museum	Atrium 240, Museum gallery 350, lecture hall 150	$75-$300/hour
Chapel by the Lake	Church	Sanctuary 200-250, hall 75	$350 half day, $500 full day
Northern Light United Church	Church	Sanctuary 210, hall 80	2 hours $100, 2-4 hours $150, 4+ hours $250
Church of the Holy Trinity McPhetres Hall	Church	Hall 80-175, sanctuary 130	$200 half day, $350 full day
Resurrection Lutheran Church	Church	100	$100 for shows, $30-40/hour

Note: Rental rates are summarized; rates can vary according to for-profit versus nonprofit status, day of week, and other factors.

Current Facility Usage

Current Usage of Centennial Hall and the JACC

Historical information for Centennial Hall and the JACC was provided by JAHC for 2017 through 2021.

Table 16. Centennial Hall and JACC Rental Days, 2017-2021

	2017	2018	2019	2020	2021
Centennial Hall Ballrooms					
Total days	172	160	169	53	78
Weekdays	94	88	93	31	53
Weekend days	77	72	76	22	25
Percent of total days	47%	44%	46%	15%	21%
Percent of weekdays	36%	34%	36%	12%	20%
Percent of weekend days	73%	68%	72%	21%	24%
JACC Main Hall					
Total days	190	174	170	20	41
Weekdays	125	117	114	12	35
Weekend days	65	57	56	8	16
Percent of total days	52%	48%	47%	5%	11%
Percent of weekdays	48%	45%	44%	5%	14%
Percent of weekend days	61%	54%	52%	8%	15%

Source: JAHC.
Note: Shading in this table identifies 2020 and 2021 as non-typical years of operation due to the pandemic. CBJ rented both Centennial Hall and the JACC in the entirety from March 2020 to June 2021 for use as a COVID quarantine shelter and vaccination site.

LOCAL AND NON-LOCAL ATTENDANCE

Centennial Hall and the JACC generate most of their revenues from the local market. Nearly one-third of events at Centennial Hall and the JACC have been organized by non-local groups in recent years, including trainings and performances, and many Juneau residents attend the events organized by non-local organizations. Based on user group interviews, attendance at events at Centennial Hall and the JACC is estimated at 90% resident, 10% non-resident.

RENTAL RATES

Table 17. Centennial Hall and JACC Rental Rates

	Regular Rate			Local Nonprofit		
	Setup Day	1-9 hours	9-20 hours	Setup Day	1-9 hours	9-20 hours
Entire facility	$858	$2,376	$3,564	$640	$1,771	$2,957
Ballrooms						
All 3 ballrooms	$640	$1,771	$2,678	$480	$1,328	$2,214
Single ballroom	$289	$799	$1,123	$215	$594	$929
Meeting rooms						
Egan	$205	$302	$486	$162	$227	$378
Hickel	$205	$302	$486	$162	$227	$378
Hammond	$205	$302	$486	$162	$227	$378
Miller	$119	$162	$248	$86	$119	$194
Lobbies & Ancillary						
Single lobby	$205	$302	$486	$162	$227	$378
Both lobbies	$266	$392	$632	$211	$295	$491
Courtyard	$205	$302	$486	$162	$227	$378
JACC Rates						
Entire facility	n/a	$650	$900	n/a	$515	$720
Main hall	$430	$595	$780	$360	$480	$625
Gallery	$160	$210	$300	$145	$170	$240

Source: JAHC.

REVENUE

Total annual revenue from Centennial Hall room and equipment rentals and other venue income averaged $427,225 from 2017 to 2019. Revenues are earned income and do not include hotel-motel collections that offset Centennial Hall operating costs. Annual revenue averaged $203,000 for JACC from 2017 to 2019. CBJ rented both facilities in the entirety from March 2020 to June 2021 for use as a COVID quarantine shelter and vaccination site.

Centennial Hall was operated by CBJ prior to FY2019 and has operated under contract with JAHC since then. Centennial Hall receives general fund appropriations and designated funds from the hotel-motel bed tax, which increased in January 2020 from 7% to 9% of gross room receipts. (Prior to this increase, disposition of the tax had been 4% funding tourism promotion and 3% funding Centennial Hall operations[2].) There is no designated funding stream to support current JACC operations. Juneau Community Foundation's performing arts center fundraising

[2] Memo from Jeff Rogers, CBJ Finance Director about CBJ Hotel Bed Tax dated April 8, 2020.

and operations endowment will contribute funds toward the operating costs of the Capital Civic Center. The City will continue to fund Centennial Hall operations and will use additional revenues collected from the 2% bed tax increase for capital improvements to Centennial Hall. The increase will remain in place through December 2034.

Table 18. Centennial Hall and JACC Revenue, 2017 to 2021

Centennial Hall	2017	2018	2019	2020	2021
Entire facility	$89,026	$84,011	$103,427	$293,008	$143,845
Ballroom 1	$20,400	$14,420	$16,173	$2,820	$25,291
Ballroom 2	$7,720	$10,640	$10,440	$3,375	$8,945
Ballroom 3	$7,475	$12,905	$11,590	$3,835	$13,595
3 Ballrooms	$35,893	$41,834	$34,370	$7,658	$2,681
Meeting rooms	$43,598	$45,460	$45,260	$5,565	$4,047
Lobby	$1,945	$3,885	$3,735	$1,720	$3,434
Rental revenues	**$206,057**	**$213,156**	**$224,995**	**$317,981**	**$201,838**
Other venue income	$205,538	$189,289	$214,459	$49,405	$5,764
Miscellaneous income	$16,398	$11,342	$442	$50,010	$146,073
Total Centennial Hall revenue	**$427,993**	**$413,787**	**$439,896**	**$417,396**	**$353,675**
JACC					
Entire facility	$34,570	$20,910	$27,353	$93,440	$71,890
Main hall rental	$64,718	$43,480	$36,515	$18,030	$650
Other rental income	$41,076	$26,179	$24,520	$3,855	$3,975
Rental revenues	**$140,364**	**$90,569**	**$88,388**	**$115,325**	**$76,515**
Other revenues	$86,309	$106,110	$97,925	$32,342	$45,427
Total JACC revenue	**$226,673**	**$196,679**	**$186,313**	**$147,667**	**$121,942**
Total Centennial Hall and JACC revenue	**$654,666**	**$610,466**	**$626,209**	**$565,063**	**$475,617**

Source: JAHC. Note: Shading in this table identifies 2020 and 2021 as non-typical years of operation due to the pandemic. CBJ rented both Centennial Hall and the JACC in the entirety from March 2020 to June 2021 for use as a COVID quarantine shelter and vaccination site.

Table 19. CBJ Appropriations for Centennial Hall Operations, 2018 to 2023

	Hotel Bed Tax	General Fund	Other (Fees)	Total
2018	$634,300	$44,800	$451,900	$1,131,000
2019	$645,000		$1,000	$646,000
2020	$664,000	$-	$-	$664,000
2021	$450,000	$153,600	$-	$603,600
2022 (projected)	$416,700	$146,500	$-	$563,200
2023 (budget)	$639,100			$639,100

Source: CBJ.

EXPENSES

JAHC took over management of Centennial Hall in 2018 and salary and wages decreased due to lower fringe benefit costs. Expenses for Centennial Hall were approximately $682,000 in 2019, with payroll accounting for 70% of expenses. Expenses for JACC were approximately $205,000 in 2019, with payroll accounting for 44% of expenses.

Table 20. Centennial Hall and JACC Expenses, 2017 to 2021

Centennial Hall	2017	2018	2019	2020	2021
Payroll expenses	$561,092	$494,708	$479,518	$297,632	$165,191
Utilities	$142,820	$126,889	$164,708	$167,923	$127,991
Operating expenses	$38,134	$34,408	$15,320	$9,615	$5,750
Other expenses	$367,586	$207,978	$22,588	$11,668	$15,970
Total Centennial Hall expenses	**$1,109,632**	**$863,983**	**$682,134**	**$486,838**	**$314,902**
JACC					
Payroll expenses	$76,696	$99,603	$91,307	$31,695	$996
Utilities	$26,595	$39,481	$36,883	$31,044	$32,202
Other expenses	$94,283	$91,942	$77,188	$26,013	$69,881
Total JACC expenses	**$197,574**	**$231,026**	**$205,378**	**$88,752**	**$103,079**
Total Centennial Hall and JACC expenses	**$1,307,206**	**$1,095,009**	**$887,512**	**$575,590**	**$417,981**

Source: JAHC. Note: Shading in this table identifies 2020 and 2021 as non-typical years of operation due to the pandemic. CBJ rented both Centennial Hall and the JACC in the entirety from March 2020 to June 2021 for use as a COVID quarantine shelter and vaccination site.

DEFICIT

Centennial Hall operated at a deficit of $242,000 in 2019. The 3-year average from 2017 to 2019 was $458,000, an average deficit of 52%. Centennial Hall operated at a deficit of $19,000 in 2019 (with a 3-year average of $24,000 from 2017 to 2019), an average deficit of 3.8%.

As noted above, a significant portion of Juneau's hotel-motel tax has been historically used to offset the gap in operating expenses while the recent increase is intended to fund capital improvements and debt service.

Table 21. Centennial Hall and JACC Deficit, 2017 to 2021

Centennial Hall	2017	2018	2019	2020	2021
Total revenues	$427,993	$413,787	$439,896	$417,396	$353,675
Total expenses	$1,109,632	$863,983	$682,134	$486,838	$314,902
Revenues minus expenses	**-$681,639**	**-$450,196**	**-$242,238**	**-$69,442**	**$38,773**
Percent of expenses not covered by revenues	**61%**	**52%**	**36%**	**14%**	**-12%**
JACC					
Total revenues	$226,673	$196,679	$186,313	$147,667	$121,942
Total expenses	$197,574	$231,026	$205,378	$88,752	$103,079
Revenues minus expenses	**$29,099**	**-$34,347**	**-$19,065**	**$58,915**	**$18,863**

Source: JAHC.
Note: Shading in this table identifies 2020 and 2021 as non-typical years of operation due to the pandemic. CBJ rented both Centennial Hall and the JACC in the entirety from March 2020 to June 2021 for use as a COVID quarantine shelter and vaccination site.

Market Demand Assessment

The assessment of potential demand for the proposed civic center was based on analysis of historical usage data for Centennial Hall and the JACC, informed by interviews with local and in-state organizations that host events in Juneau, managers of four comparable facilities, staff from the Sitka Chamber of Commerce and Valdez Convention and Visitors Bureau, and industry experts and statewide organizations familiar with Juneau's conference hosting abilities.

Performance and event organizers were asked about their planned activities and anticipated use of the facility's ballroom, community hall, theater meeting rooms, office space, and administrative support. Event organizers were asked about Juneau's strengths and weaknesses as an event destination and potential changes in their demand for event space in Juneau with a new facility. Consideration was also given to new revenue streams associated with new and enlarged spaces.

RESIDENT VERSUS NON-LOCAL DEMAND ASSUMPTIONS

Juneau's two City-owned facilities and comparable civic center facilities in Valdez and Sitka generate most of their revenues from their local markets. Events hosted by Juneau organizations are likely to continue to drive demand for the Capital Civic Center as they do for Centennial Hall and the JACC. This is assumed to remain the case for the Capital Civic Center unless a priority reservation policy is adopted as in Seaside, Oregon. The Seaside facility manager reported that prospective non-local events are often turned away due to date availability issues; a priority reservation policy could be designed to capture the larger economic impact of out-of-town events. User groups also reported challenges with facility availability on their preferred dates.

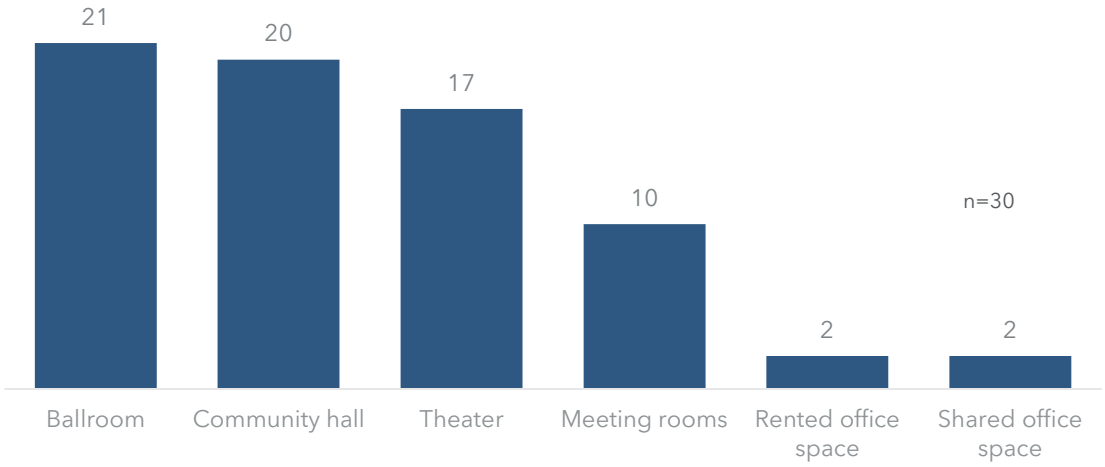
Based on user group interviews, estimates of demand for the Capital Civic Center assume consistent demand from local groups who currently use Centennial Hall and the JACC. Local demand is estimated at 90% based on recent usage in the startup years, with attendance at events (hosted by in-state and out-of-state organizations) expected to comprise 10% of total demand. This is assumed to remain the case for the first few years of operation of the Capital Civic Center, with strong potential for the out-of-town market to grow over time with effective promotion of the facility in the events market. Based on industry professionals, non-local demand is expected to grow by up to 10% with strong marketing of the facility to in-state and national event planners.

USER DEMAND BY FACILITY SPACE

The strongest interest was identified for the ballroom, community hall, and meeting rooms. Reported interest from user groups that participated in this study and historical facility usage

data since 2017 suggest similar demand for the ballrooms and community hall. Theater demand was strongest among performing arts organizations, but other types of organizations expressed interest in using the space for other uses such as presentations, lectures, or awards ceremonies. Just over a quarter of user groups expressed interest in meeting and conference rooms. There was very low demand for assigned or shared office space, with two user groups expressing interest.

Figure 5. Number of User Groups Interested in Facility Spaces



USER DEMAND ESTIMATES

Estimates include "low case" and "high case" scenarios and are based on user groups' stated demand, recent usage of Centennial Hall and the JACC, and interviews with event organizers familiar with Juneau's conference hosting capabilities and their likelihood of hosting events in the community.

Ballrooms: Usage of the ballrooms is estimated to range from 49% to 59% of all days annually, ranging from 180 days (low case) to 215 days (high case), including days for setup or rehearsal.

Community Hall: Usage of the community hall is estimated to range from 51% to 58% of all days of the year, ranging from 185 days (low case) to 210 days (high case).

Meeting and conference rooms: Meeting and conference room usage is estimated to range from 30% to 38% of days annually.

Theater: Theater usage is estimated between 25% and 34% of days of the year, from 90 to 125 days.

Event Space: Event space usage is estimated at 18% to 25% of days of the year, from 65 to 90 days.

Lobby: Lobby usage is estimated at 10% to 14% of days of the year, from 35 to 50 days.

Table 22. Annual Demand Estimate for Capital Civic Center

	Ballrooms		Community Hall		Meeting Rooms		Theater		Event Space		Lobby	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Number of event days	160	185	170	190	110	140	75	95	55	75	30	40
Weekdays	90	105	110	120	85	105	30	40	35	50	20	25
Weekends	70	80	60	70	25	35	45	55	20	25	10	15
Number of setup / rehearsal days	20	30	15	20	0	0	15	30	10	15	5	10
Total event and setup / rehearsal days	180	215	185	210	110	140	90	125	65	90	35	50
Percent usage												
Percentage of days used	49%	59%	51%	58%	30%	38%	25%	34%	18%	25%	10%	14%

There are a number of factors that may result in an increase in the total number of events in Juneau annually beyond these estimates. These include:

More appealing venue: While heavily used now, Centennial Hall and the JACC are outdated and have functional limitations. Having a new facility will likely be attractive to a wider audience and lead to additional rentals.

The addition of new spaces: The wider range of room sizes in the new facility will meet the needs of a wider range of organizations. Event organizers reported that they want appropriate-sized rooms for their event.

The new facility offers six meeting rooms (up from four small rooms at Centennial Hall), each with capacity for 100-140, a new theater space with full professional back-of-house support, an event space that can also be used as a black box theater, a gallery, a large lobby, a retail shop, a conference room, concession area, and a business center. Most of these spaces will be entirely new revenue centers for the facility.

User groups currently rent the Centennial Hall lobby, typically in conjunction with rentals of the ballroom or meeting rooms. The increased size and appeal of the new lobby/foyer will make this space more attractive as an exposition or reception area, and lobby rentals are expected to increase based on the larger event size and increased appeal.

This large additional indoor space can be used as an expo or reception space and will also accommodate attendees in the facility while setting up a room for a banquet or other

function during an event. For example, with a large conference, formal seating events could be staged in the ballrooms, while the lobby could stage expo displays or be used as pre-conference or reception area.

The ability to use the new space in more flexible ways: The design of the facility will allow the facility to be used in new ways. For example, the total capacity of all six meeting rooms is approximately the capacity of the main ballrooms during a conference event. This would be sufficient space for an event (such as a keynote speaker) with 600-850 attendees to be held in the ballrooms, then move to meeting rooms for breakout sessions while the ballroom is being reconfigured for dinner or another type of event.

Potential to host multiple events at the same time: The layout of the facility will allow for use of event spaces by multiple groups without interference. Large spaces including the ballroom, community hall, theater, and meeting rooms are set apart, minimizing sound interference, and the large lobby space will allow groups to access event rooms without crossing paths. The large catering space will be able to support more than one caterer in the building at a time.

Outdoor spaces: The initial design for the facility includes outdoor spaces including a patio and a roof terrace. Outdoor spaces (especially those with an inviting view) for dining, receptions, and breaks were among the preferences identified by many event organizers interviewed for this study.

REVENUE ESTIMATES

Revenue estimates for Year 1 and Year 5 of operations were developed based on demand estimates and room rates for Centennial Hall and the JACC. A blended rate was calculated to account for both nonprofit and for-profit use, and room rates were increased by 10% to account for anticipated rate increases at the new facility.

Projected revenues for the proposed Capital Civic Center are higher than prior estimates developed for a proposed performing arts center due to the addition of ballroom, community hall, and meeting room spaces with demonstrated demand, plus new revenue centers such as the additional (and larger) meeting rooms, theater, event space, and lobby. Other factors that are likely to drive higher usage than projected in previous studies are the upgraded and more appealing venues, greater flexibility in use, and potential for hosting larger events as well as multiple simultaneous events.

It should be noted that selecting an appropriate fee structure will impact usage levels and revenues. Fees that are too high will tend to discourage facility use and revenues. Some user groups, particularly nonprofits, expressed concern about the affordability of new rental fees established for the proposed facility. Other groups reported that increases in ticket prices would

likely be necessary to cover higher facility rental costs, which may decrease demand for ticket sales.

Table 23. Year 1 Estimated Revenue

	Low	High
Ballrooms	$222,354	$265,590
Community Hall	$228,531	$259,413
Meeting rooms	$192,027	$244,398
Theater	$49,140	$68,250
Event space	$35,490	$49,140
Lobby	$26,250	$37,500
Total room rental revenue	$753,792	$924,291
Equipment rentals	$175,000	$225,000
Lobby shop	$50,000	$75,000
Gallery commissions	$15,000	$20,000
Concessions	$25,000	$50,000
Total	**$1,018,792**	**$1,294,291**

Revenue projections assume that by Year 5 there will be an increase of two new conferences in Juneau. These conferences are assumed to each attract 200 out-of-town attendees. Assumptions include a 5% increase in use of the community hall and ballrooms, as well as revenue from equipment rentals, sales and commissions from the lobby shop and gallery, and concessions. There is potential for additional revenue growth due to better pandemic conditions, new cultural offerings, increases in event attendance, room rental rate increases, or other market factors.

Table 24. Year 5 Estimated Revenue

	Low	High
Ballrooms	$233,472	$278,869
Community Hall	$239,957	$272,384
Meeting rooms	$192,027	$244,398
Theater	$49,140	$68,250
Event space	$35,490	$49,140
Lobby	$26,250	$37,500
Total room rental revenue	$776,336	$950,541
Equipment rentals	$183,750	$236,250
Lobby shop	$52,500	$78,750
Gallery commissions	$15,750	$21,000
Concessions	$26,250	$52,500
Total	**$1,054,586**	**$1,339,041**

Economic and Community Benefits

Economic Benefit to Juneau

Civic and convention centers are economic engines, inducing economic activity that might not otherwise occur in a community. Conferences and large events that attract non-residents have a larger economic impact than events attended by residents, with out-of-town guests and event organizers spending on hotel accommodations, food and beverage, and retail as well as facility rentals, catering, conference equipment and other goods and services, and generate sales and hotel taxes. Construction spending for large projects has a strong impact on a local economy and labor market.

VISITOR DIRECT SPENDING ESTIMATES

One of the measures of economic impact is the estimated amount of money spent by attendees while in Juneau for an event. Direct spending estimates were developed for meeting and conference attendees not living in the Juneau area to demonstrate the range of total potential economic impacts generated by the proposed facility. The economic impact of visitor spending could increase significantly through a strategic marketing plan and policies developed to attract more conferences and events with higher numbers of out-of-town attendees.

Estimates for visitor and event organizer direct spending on conventions are based on a recent McDowell Group survey of convention attendees and interviews with meeting organizers for conventions and meetings held in Juneau from October 2017 through September 2018. Attendance numbers were provided by event organizers who used Centennial Hall and the JACC between 2017 to 2021.

Meeting and convention attendees spend an average of $1,270 per attendee/per event in Juneau. With an average stay of 3.9 nights, average direct spending is estimated at $326 per day, per attendee. Meeting/convention sponsor organizations reported additional average spending of $132 per attendee/per day.

Spending by attendees and organizations is distributed through a wide variety of sectors. The largest spending category (attendee and organization spending combined) was lodging, followed by food and beverage, retail, tours, activities, and entertainment, local transportation, facility rental, services and equipment rental, and other expenses.

ECONOMIC IMPACTS

Spending in Juneau by visitors and by the businesses that serve those visitors creates jobs, income, and secondary spending throughout the local economy. This analysis describes employment and labor income effects of conference and event-related spending in Juneau based on 2019 as the most recent pre-pandemic baseline (normal operations). In 2019, there were 246 conferences, events, and meetings at Centennial Hall and the JACC. With an average of 1.8 days per event, this made for a combined total of 453 event days. Most events were attended primarily by Juneau residents, but there were 26 conferences that brought positive economic impacts by attracting significant non-local spending to the community. Direct spending by these conference visitors and conference organizers totaled an estimated $4.8 million in 2019.

- Conferences and large events brought an estimated 3,700 non-resident attendees to Juneau for an average of 2.3 days. These visitors spent an estimated $3.9 million.
- Juneau residents also attended conferences, and conference organizers spent $132 per attendee, for a total of approximately $258,000 in organizational spending in 2019.
- Large events in 2019 that attracted out of town visitors included Alaska Folk Festival, the Juneau Holiday Market, and the Sealaska Holiday Fair. Celebration, held only in even years, is factored into the Year 1 and Year 5 projections on an annualized basis.

Table 25. Estimated Spending on Conferences and Large Events, 2019

	Conferences		Large Events	Total
	Non-residents	Juneau residents	Non-residents	
Attendees	3,700	850	1,600	8,900
Average days per event	2.3	2.3	4.3	
Individual spending, per day	$326	-	$100	
Event organizer spending per attendee, per day	$132	$132	-	
Total estimated direct spending	**$3,897,580**	**$258,060**	**$688,000**	**$4,843,640**

PROJECTED CONFERENCE SPENDING

Projected spending for conferences and large events is estimated at nearly $6.6 million in Year 1 of civic center operations, increasing to an estimated $7 million by Year 5.

Table 26. Year 1 Estimated Spending Due to Conferences and Large Events

	Conferences		Large Events	Total
	Non-residents	Juneau residents	Non-residents	
Attendees	4,100	850	2,975	7,925
Average days per event	2.3	2.3	4.3	
Individual spending, per day	$326	-	$100	
Event organizer spending per attendee, per day	$132	$132	-	
Total estimated direct spending	**$4,318,940**	**$258,060**	**$1,998,650**	**$6,575,650**

Table 27. Year 5 Estimated Spending Due to Conferences and Large Events

	Conferences		Large Events	Total
	Non-residents	Juneau residents	Non-residents	
Attendees	4,510	935	2,975	8,420
Average days per event	2.3	2.3	4.3	
Individual spending, per day	$326	-	$100	
Event organizer spending per attendee, per day	$132	$132	-	
Total estimated direct spending	**$4,750,834**	**$283,866**	**$1,998,650**	**$7,033,350**

ECONOMIC IMPACTS

Construction Phase

Construction of the $48 million facility expansion and upgrade will directly generate approximately 130 full-time and part-time jobs in Juneau and $10 million in labor income annually over the two-year construction period. Including multiplier effects, construction is expected to generate a total of 200 jobs with $13 million in total labor income annually over the two-year period.

Table 28. Civic Center Construction Economic Impact

Direct jobs	130
Direct labor income	$10,000,000
Total jobs	200
Total labor income	$13,000,000

Civic Center Operations

Jobs and income are created in Juneau as conference visitors and organizers purchase goods and services in Juneau. This includes jobs at the civic center and elsewhere in the economy. The current economic impact of that user spending (estimated at $4.8 million annually), totals 65 jobs and $2 million in total annual wages, including multiplier effects.

Within about five years of the upgrade, spending by conference visitors and organizers is expected to total approximately $7 million annually, an increase of $2.2 million. That increase in spending will account for 25 new jobs and $1 million in annual wages, including direct and indirect impacts. In total the new civic center will account for 90 jobs and $3 million in annual wages.

Table 29. New Civic Center Operations Annual Economic Impact

Total User Spending	
Baseline user spending	$4.8 million
New user spending	$2.2 million
Total with new civic center	$7.0 million
Total Jobs from User Spending	
Total baseline jobs	65
Total new jobs	25
Total with new civic center	90
Total Labor Income from User Spending	
Total baseline labor income	$2 million
Total new labor income	$0.9 million
Total with new civic center	$2.9 million

Additional Community Benefits

Civic centers are important public spaces that enhance residents' quality of life by serving as gathering places for social, educational, business, and cultural events. Civic centers are a central gathering place for community members, fostering stronger social connections and civic pride.

Local governments support civic centers in order to promote the growth of a vibrant cultural landscape in a community. The Capital Civic Center will benefit Juneau's cultural and civic organizations by providing a modern venue for performances and events. While there are abundant recreational arts offerings in Juneau, none of Juneau's current facilities are purpose-built for arts and culture. By concentrating arts programming in the Capital Civic Center, this can help strengthen Juneau's brand as an arts and culture center for the region, support nonprofit and arts organizations, and help attract more artists and cultural organizations to Juneau. The civic center may also help address the need for affordable office space for nonprofit arts and culture organizations.

The upgraded and expanded civic center will be an important aspect of Juneau's effort to attract the workforce its employers need now and in the future. Across all sectors of the economy, labor shortages are constraining growth. Measures that enhance a community's affordability and quality of life, including opportunities to experience and enjoy the arts, are key to Juneau's competitiveness in the increasingly mobile national labor market.

The new conference center will preserve and enhance Juneau's ability to attract and host high-quality conferences. A number of event organizers (business, civic, and nonprofit), as well as private event coordinators for events such as weddings or retirements familiar with Centennial Hall and the JACC described the outdated conditions of these facilities. More appealing and "right-sized" spaces are likely to draw increased usage from groups as they evaluate their range of venue options for these types of events. The conference market is highly competitive, and a modern facility will also enhance Juneau's ability to attract new events from this profitable market segment to help grow Juneau's economy.

Anchor projects like the proposed civic center improve the vitality of a neighborhood and promote additional private investment and improvements in an area. Development in the area around Centennial Hall and the JACC presents an opportunity for Juneau to improve the desirability of a neighborhood within walking distance to the downtown core. The venue would attract more visitors to the area and help bring new foot traffic to local businesses. The civic center project will create a more inviting area around the convention center and may promote further private investment in the area.

The proposed design for the Capital Civic Center would create new revenue centers for the City-owned facility, with the addition of rentable spaces including six meeting rooms, a conference room, theater, event space, lobby, and concession area.

Appendix

CENTENNIAL HALL AND JACC USER GROUP INTERVIEW PARTICIPANTS

Alaska Arts Education Association, Vanessa Powell

Alaska Council of School Administrators, Chala Giron

Alaska Fisheries Development Foundation, Julie Decker

Alaska Folk Festival, Andrew Heist

Alaska Library Association, Jonas Lamb

Alaska Municipal League, Nils Andreassen

Alaska Power Association, Michael Rovito

Alaska Robotics Mini-Con, Pat Race

Alaska State Improv Festival, Eric Caldwell

Alaska State Firefighters Association, Justin Boddy

Alaska Youth Choir, Amanda Blackgoat

Association for the Education of Young Children (AEYC), Blue Shibler

Alaska Travel Industry Association (ATIA), Sarah Leonard

Creativations and Sunny Days Events, Jessie Miller

Glacier Valley Rotary Club, Michelle Strickler

Greater Juneau Chamber of Commerce, Craig Dahl

Hecla-Greens Creek Mining Company, JP Roulet

JUMP Festival, Pat Race

Juneau Arts and Humanities Council, Nancy DeCherney

Juneau Economic Development Council, Brian Holst

Juneau Ghost Light Theatre, Richard Carter

Juneau Jazz and Classics, Sandy Fortier

Juneau Public Market, Peter Metcalfe

Juneau String Ensembles, Guohua Xia

Juneau Symphony, Charlotte Truitt

KTOO Public Media/Coast Alaska, Jeana Varney

Logistics LLC, Toni Walker

Mudrooms, Alida Bus

Museums Alaska, Dixie Clough

Perseverance Theatre, Leslie Ishii, Frank Delaney

Platypus Gaming, Josh Warren

Princess/Holland America, Kirby Day

Southeast Conference, Robert Venables

Sealaska Corporation, Amy Miller

Sealaska Heritage Institute - Celebration, Yées Ḵu.oo Dancers, Nancy Barnes

Sitka Summer Music Festival, Amy Kramer Johnson

Southeast Alaska Conservation Council, Raylynn Lawless

Trail Mix, Inc., Ryan Oshaughnessy

Travel Juneau, Liz Perry

COMPARABLE FACILITY INTERVIEW PARTICIPANTS

Discover Valdez, Sharon Anderson

Elizabeth Peratrovich Hall, Cathy Martin

Greater Sitka Chamber of Commerce, Rachel Roy

JACC and Centennial Hall, Kathleen Harper

Seaside Civic and Convention Center, Russ Vandenberg

Sitka Harrigan Centennial Hall, Antonio Rosas

Sitka Performing Arts Center, Drew Sherman

Valdez Convention and Civic Center, Jennifer James

MCDOWELL GROUP REPORTS USED IN THIS ANALYSIS

Economic Impacts of Juneau Conventions and Meetings, 2018

Financial Feasibility Study for The New JACC, 2019

Juneau Air and Ferry Visitor Survey, 2018

Juneau Performing Arts Center Needs Assessment, 2002

Juneau Visitor Profile and Economic Impact Study, 2016

New Juneau Arts and Culture Center Feasibility Assessment, 2016

The Economic Impacts of Celebration, 2012

Willoughby Arts Complex Financial Feasibility Assessment, 2015

Willoughby Arts Complex Market Demand Assessment, 2015

McKINLEY RESEARCH GROUP, LLC

3800 Centerpoint Drive, Suite 1100 • Anchorage, AK 99503 • (907) 274-3200
801 West 10th Street, Suite 100B • Juneau, AK 99801 • (907) 586-6126

info@mckinleyresearch.com • mckinleyresearch.com

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

MEMORANDUM

DATE: **January 23, 2023**

TO: **Deputy Mayor Gladziszewski and CBJ Committee of the Whole**

FROM: **Katie Koester, Engineering & Public Works Director**

SUBJECT: **Final Adoption of FY24 Legislative Capital Priorities**

The purpose of this memo is facilitate committee discussion and final adoption of the FY24 Legislative Capital Priorities. The Legislative Capital Priorities List communicates to the State and Federal delegation, and the community, the long term projects that the City and Borough of Juneau has on the horizon. The intent is for this list to expand beyond the deferred maintenance and infrastructure repair that dominate the Capital Improvement Plan and build a shared vision for a future Juneau. The list has been successful in helping narrow focus on the more visionary projects and I am happy to report that many of the projects identified in the FY23 list have had some progress.

This year, the Assembly began discussing priorities in September of 2022 when the Public Works and Facilities Committee adopted a schedule to guide the process. A solicitation was issued to all CBJ Boards and Commission chairs and their lead staff (including empowered boards) with instructions on how to comment on the list and/or submit new projects for consideration. Boards and Commissions were given two months to work through their process. Board and Commission input, including proposed new projects, was part of the packet the Assembly used to rank projects over the holiday.

The prioritized list was presented at the January 4, 2023 Finance Committee meeting, however tonight is the first time the body has had an opportunity to discuss the priorities after hearing from the public. Because staff is continuously working on these projects, the status of some of the projects has changed since introduction of the list in fall of 2022.[i] This illustrates how the project detail (but not the prioritization) of the Legislative Priority Projects is ever evolving as projects progress.

Recommendation: Discuss, amend and adopt FY2024 Legislative Capital Priorities for distribution to the state and federal delegation.

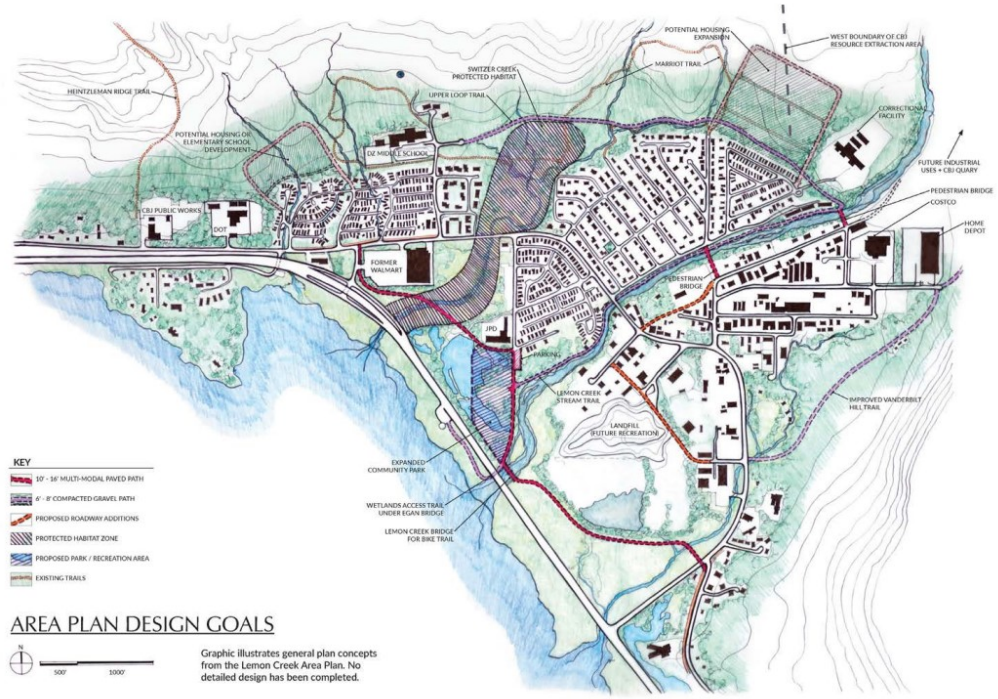
Enc:
FY2024 Draft Legislative Capital Priorities

[i] Project updates include: Voters passed funding for the CBJ radio system replacement reducing the total project cost by $2M; Capital Civic Center has a funding strategy with a $10M state request and $35M federal request; and Congressionally Directed Spending has been officially secured for Municipal Composting and Juneau Douglas North Crossing which will update those projects to reflect the next phase (CBJ is actively pursuing grants for the next phase of both projects).

FY2024 DRAFT Legislative Capital Priorities

Assembly Scoring (1 - 22)	FY23 Adopted Priority Ranking	Project Name:	Amount Requested:	Total Project Cost:	Funding Already Secured:
1	Rank #3	Pederson Hill Development	$3M	$10M	$2.3M
2	Rank #10	North State Office Building Parking	$30M	$40M	$5M in FY2023 State Capital Budget; $5M request in 1%
3	Rank #9	Telephone Hill	$2M	TBD	$100,000
4	New - Radio	CBJ Radio System Replacement	~~$14M~~ $12M	$14.5M	$500,000; $2M, 1 % Sales Tax
5	New - HVAC	JSD Wide HVAC and Heating Control System Upgrades	$6.4M	$6.4M	$0.00
6	New - FOGs	Mendenhall Wastewater Treat. Plant Compliance: Fats, Oil, and Grease & Grit Removal	$5.75M	$5.75M	$0.00
7	Rank #1	Lemon Creek Multimodal Path	$8M	$10M	$250,000; $1.5M, 1 % Sales Tax
8	Rank #2	Juneau North Douglas Crossing	~~$13M~~ TBD	$100-$200M	$2M for PEL; $250,000 CBJ; $7M CDS
9	Trank #4	New City Hall	$5M	$43.2M	$6.3M
10	Rank #6	Capital Civic Center	~~$5M~~ $10M, State of Alaska; ~~$30M~~ $35M Federal Delegation	$65M	CBJ- $2M design; $8M upgrades to centennial hall; $10M commitment from CLIA for MPFs
11	New - Solids Removal	Mendenhall Wastewater Treatment Plant Compliance Upgrade – Solids Removal	$9.5M	$9.5M	$0.00
12	New - JSD Sec	JSD – Wide Security and Safety Upgrades	$2M	$2M	$0.00
13	New - compost	Municipal Composting Facility Design and Construction & Zero Waste Planning	~~$2.5M~~ $4M	TBD	$2.5M - CDS
14	Rank # 13	Aurora Harbor Rebuild – Ph IV *(Continuation of Rank #13 Project Aurora Harbor Phase III)*	$1M	$7M	$0
15	Rank #14	Auke Bay New Breakwater	$5M	TBD	$0
16	Rank #16	Waterfront Juneau Douglas City Museum	$2M	12M	$2M in 1%

17	New - Cruise Ship	Small Cruise Ship Infrastructure	$30M	$30M	$0.00
18	Rank #15	North Douglas Boat Ramp Expansion	$250K	$20M	$0
19	New - OHV	Off-Highway Vehicle (OHV) Park Development	$5.7M	$6M	$300,000
20	Rank #7	West Douglas Extension	$4M	$5M	$0
21	Rank #18	Auke Bay Seawalk/Baywalk	$250K	$30M	$0,00
22	New - Renninger	Jackie Renninger Park Development & Pipeline Skatepark Improvements	$4M	$4,075,000	$75,000



Credit: MRV Architects (2017) *Area Plan Design Goals, February 4, 2017*

City & Borough of Juneau

Legislative Capital Priorities FY2024

1.25.2023 DRAFT *(un-adopted)*

V.1.25.2023

TABLE OF CONTENTS

Introduction: Page 3

Legislative Priorities Development Schedule: Page 4

Legislative Priority List: Page 5-7

Individual Project Details: Pages 8-29

APPENDIX

Everything you wanted to know about the Legislative Priority List: Page 30

CBJ lists, plans and priorities graphic: Page 31

DRAFT

Will be updated after adoption of list.

January 30, 2023

To The Honorable State and Federal Delegation:

This document presents the City and Borough of Juneau's Fiscal Year 2024 Legislative Priority List. The Legislative priority list provides information on long range capital projects identified as priorities for the community of Juneau. Descriptions of projects include cost and schedule information, a designation of who will be responsible for operating and maintaining the infrastructure, and what goals the project is advancing.

The projects included in the Legislative Priority List were compiled with input from CBJ Boards and Commissions and City staff. The Legislative Priorities will be used to inform requests to State Legislature, Federal Delegation and granting agencies.

It is the intent of the City and Borough of Juneau to update the Legislative Priority List annually to ensure the long-range capital improvement planning stays current, as well as to determine annual legislative priorities and assist with budget development. Please don't hesitate to reach out with any questions.

Sincerely,

Rorie Watt
City Manager

DRAFT

Will be updated after adoption of list.

City and Borough of Juneau
FY2024 LEGISLATIVE CAPITAL PRIORITIES DEVELOPMENT SCHEDULE

ACTION	TIME FRAME
PWFC approval of schedule & process	September 26, 2022
Issue solicitation for input from CBJ Advisory Boards and Commissions with clear instructions, including on how to propose new projects.	October, 2022
Input for new draft requested by	December 1, 2022
Presentations to Boards and Commissions	
	Planning Commission Introduction October 25, 2022; Planning Commission Final Approval November 8, 2022
	Systemic Racism Review Committee 1st Review: November 22, 2022
Administrative review and compilation	December 1- 9, 2022
SRRC 2nd Review (with board/commission input and new projects)	December 13, 2022
PWFC for review	December 19, 2022
Homework: Assembly ranks priorities	Due December 29, 2022
Finance Committee	January 4, 2022
Assembly Adoption (COW)	January 26, 2023
CAPSIS Deadline	February 1, 2023
Distribution of Priorities	February

Unadopted FY2024 Legislative Capital Priority List (Ranked 1/04/23 by Assembly)

Rank	Project Name:	Purpose:	Amount Requested:	Goal:	Page #
1	Pederson Hill Development	Development	$3M	Increase housing and development opportunities	8
2	North State Office Building Parking	Partial Funding	$30M	State/legislative Parking, Auke District infill Development	9
3	Telephone Hill	Site work	$2M	Prepare for Redevelopment	10
4	CBJ Radio System Replacement	Procurement, Design, Site Construction/ Improvements, Installation	$2M (prev. $14M)	Provide adequate and sustainable radio communications for CBJ public safety agencies and response partners to communicate effectively during routine events and disasters locally, regionally and statewide.	11
5	JSD Wide HVAC and Heating Control System Upgrades	Feasibility Study, Conceptual Design, Final Design, Engineering, Permitting	$6.4M	This project will upgrade the HVAC and Heating Controls Systems for all schools in the City and Borough of Juneau, improving the facilities' energy efficiency, safety, and security.	12
6	Mendenhall Wastewater Treat. Plant Compliance: Fats, Oil, and Grease & Grit Removal	Design, Construction	$5.75M	Return the Mendenhall Wastewater Treatment Plant to permit compliance, reduce treatment costs, and extend the useful life of the plant.	13
7	Lemon Creek Multimodal Path	Design, Permitting, Property	$8M	Advance Long-term Goal of a New Non-Motorized Route	14
8	Juneau North Douglas Crossing	Economic Impact Analysis and/or PEL Study	TBD (prev. $12M)	Economic Development	15

DRAFT

Will be updated after adoption of list.

Unadopted FY2024 Legislative Capital Priority List (Ranked 1/04/23 by Assembly)

Rank	Project Name:	Purpose:	Amount:	Goal:	Page #
9	New City Hall	Partial Funding	$5M	Reduce CBJ Operating Cost, Free up/ create housing	16
10	Capital Civic Center	Partial Funding	$10M, SOA (prev. $5M); $35M Federal Delegation (prev. $30M)	Support Convention and Visitor Economy	17
11	Mendenhall Wastewater Treatment Plant Compliance Upgrade – Solids Removal	Design, Site Preparation, Construction	$9.5M	Improve the Mendenhall Plant's permit compliance record.	18
12	JSD Wide Security and Safety Upgrades	Procurement, Design, Construction, Installation	$2M	The security and safety of our staff, students, and community is our main priority, and with this project upgrade, the District feels that it is taking the necessary steps to bring our facilities into the technology age.	19
13	Municipal Composting Facility Design and Construction & Zero Waste Planning	Design, Site Preparation, Construction	$4M (prev. $2.5M)	Construct a municipal compost facility as part of a broader Zero Waste plan.	20
14	Aurora Harbor Rebuild – Ph IV	Design, Permitting	$1M	Replace critical infrastructure and support maritime economy	21
15	Auke Bay New Breakwater	Match Potential Federal Funding	$5M	Increase Moorage and Renovate old Economic Development	22

DRAFT

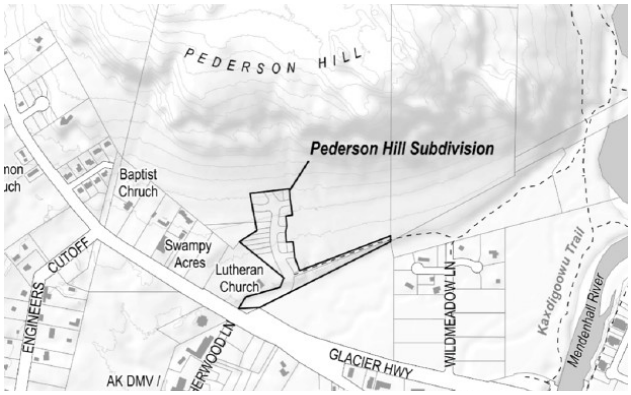
Will be updated after adoption of list.

Unadopted FY2024 Legislative Capital Priority List (Ranked 1/04/23 by Assembly)

Rank	Project Name:	Purpose:	Amount:	Goal:	Page #
16	Waterfront Juneau Douglas City Museum	Partial Funding	$2M	FY24 Draft Legislative Priorities #21	**23**
17	Small Cruise Ship Infrastructure	Design, Construction	$30M	Proj. Nom for Docks #26 & 29	**24**
18	North Douglas Boat Ramp Expansion	Planning, research, permitting	$250K	FY24 Draft Legislative Priorities #20; Proj. Nom. for Harbors #27	**25**
19	Off-Road Vehicle (ORV) Park Development	Feasibility Study, Conceptual Design, final Design/ Engineering/ Permitting, Fundraising Activity	$5.7M	Proj. Nom. for Docks #55 & #56	**26**
20	West Douglas Extension	Future Development	$4M	FY24 Draft Legislative Priorities #12	**27**
21	Auke Bay Seawalk/Baywalk	Design, Permitting, Property	$250K	FY24 Draft Legislative Priorities #23; Proj. Nom. for Harbors #27	**28**
22	Jackie Renninger Park Development & Pipeline Skatepark Improvements	Feasibility Study, Conceptual Design, Final Design, Engineering, Permitting, Fundraising Activity	$4M	Proj. Nom. for Docks #55, #60	**29**

DRAFT

Will be updated after adoption of list.



PEDERSON HILL HOUSING DEVELOPMENT

AMOUNT REQUESTED: $3M

AMOUNT SECURED: $2.3M

TOTAL PROJECT COST: $14M

PROJECT DESCRIPTION & UPDATE:

The requested funding will provide for the design and construction of street lighting, water, and wastewater infrastructure, streets, and sidewalks for Phase 1B or Phase 2 of Pederson Hill Subdivision. Construction of Phase 1A is complete, sold, and developed with houses. The Assembly is currently considering an application to partner with the Tlingit Haida Regional Housing Authority (THRHA) to develop the remainder of Phase 1B and 1C. There is also an application from a private developer to purchase property adjacent to the Pederson Hill Subdivision to build workforce and affordable housing utilizing federal tax credits. If approved and completed, this would provide a second access to Glacier Hwy.

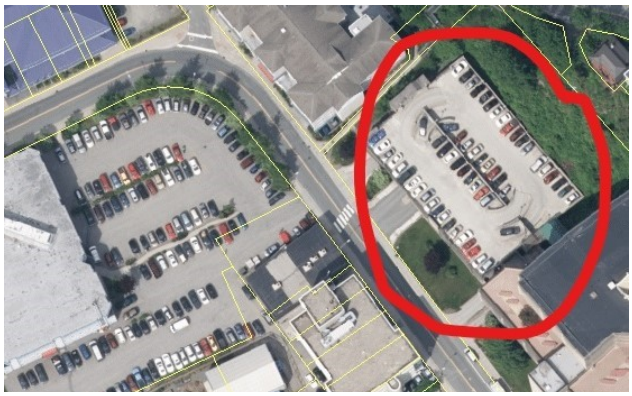
PUBLIC PROCESS:

Depending on the outcome of the THRHA application, the City will be moving forward with either Phase 1B or Phase 2 with these funds. The determination for the THRHA application will be made by spring of 2023 and will dictate the City's next steps. There will be an opportunity for public comment to the Planning Commission during the THRHA application process and the final plat approval process. The Assembly will hold a public hearing for the THRHA application.

TIMELINE: Once funding is secured, design can be complete within 9 months from start and construction complete within 28 months from start.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Increase workforce and market rate housing.



NORTH STATE OFFICE BUILDING PARKING

AMOUNT REQUESTED: $30M

AMOUNT SECURED: $5M SOA; $5M CBJ Scheduled in 1% Sales Tax

TOTAL PROJECT COST: $40M

PROJECT DESCRIPTION:

This parking garage provides parking for the State just North of the State Office Building. The current garage is old and in need of major repairs. Building a garage with greater capacity would expand parking for state employees, the Legislature, and the Aak'w Village District freeing up current parking lots for development and infill. This project would be 7 stories, creating a total of 466 parking spaces, with a total net increase of 323 new parking spaces.

PUBLIC PROCESS: Designated as a Legislative Priority in 2021 & 2022.

TIMELINE: Once funding is secured, 18-24 month design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? TBD

GOAL OF PROJECT: State/legislative parking, Aak'w Village District infill development.

TELEPHONE HILL RE-DEVELOPMENT

AMOUNT REQUESTED: $2M

AMOUNT SECURED: $100,000

TOTAL PROJECT COST: unknown

PROJECT DESCRIPTION:

Surveying costs, hazardous materials study, removal of hazardous materials and environment cleanup, demolition of existing structures, a redevelopment study and site preparation and re-subdivision.

PUBLIC PROCESS:

In 2020, CBJ applied to acquire the Telephone Hill properties from the State of Alaska. In June 2022, the Legislature directed the Department of Natural Resources to convey Telephone Hill to CBJ at no cost (HB349). In August 2022 the CBJ Assembly adopted a resolution accepting Telephone Hill at no cost from the State of Alaska. In September, the Assembly appropriated $100,000 to the Manager for the Telephone Hill Redevelopment CIP. CBJ will hire a contractor to help with planning and site assessment in early 2023.

TIMELINE: CBJ ownership in January of 2023 with implementation beginning as soon as funds are available.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Redevelop over 3 acres of property in downtown Juneau for the best and highest use.

CBJ RADIO SYSTEM REPLACEMENT

AMOUNT REQUESTED: $2,000,000

AMOUNT SECURED: $500,000; $2M 1% Sales Tax

TOTAL PROJECT COST: $14,500,000

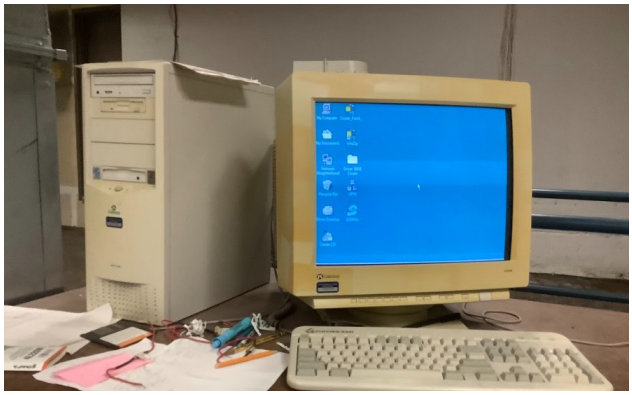
PROJECT DESCRIPTION:

The CBJ has determined that the current radio system must be replaced due to equipment obsolescence, to enhance coverage and correct capacity shortfalls while conducting modernization as a means of securing enhanced network reliability, resiliency and interoperability. Project phases would include procurement, engineering/design, site construction/improvements (shelters, buildings, generators, towers, UPS, etc.), microwave improvements, procurement and installation of radio site equipment (transmitters, receivers, antenna systems, etc.) and end user equipment (portable and mobile radios).

TIMELINE: Once funding is secured, all work could be performed within 4 years.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Provide adequate and sustainable radio communications for CBJ public safety agencies and response partners to communicate effectively during routine events and disasters locally, regionally and statewide.



JSD WIDE HVAC AND HEATING CONTROL SYSTEM UPGRADES

AMOUNT REQUESTED: $6.4M

TOTAL PROJECT COST: $6.4M

PROJECT DESCRIPTION:

This project will upgrade the HVAC and Heating Controls Systems for all schools in the City and Borough of Juneau. The upgrade will help notify problems/emergencies sooner, which will help with the increase in response times. These upgrades will also allow the maintenance department to access the control systems for any of the schools as long they have internet. In addition, the emergency response time would greatly decrease due to knowing the issue of the system. The upgraded system will allow the District to receive energy cost savings.

TIMELINE: TBD

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Improve energy efficiency in district schools.

MENDENHALL WASTEWATER TREAT. PLANT COMPLIANCE: FATS, OIL, AND GREASE & GRIT REMOVAL

AMOUNT REQUESTED: $5.75M

TOTAL PROJECT COST: $5.75M

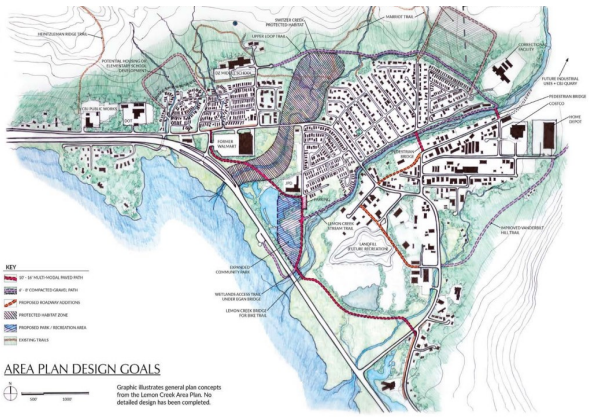
PROJECT DESCRIPTION:

Fats, Oils and Grease (FOG) requires special treatment; further, its foam promotes micro-organisms that settle poorly and cause effluent permit violations at the Mendenhall Treatment Plant. This project would install a grease collection vessel with a skimmer and vortex vessel to control incoming grease and finer grit. These additions would help the plant return to compliance. This project will design and construct the FOG and Grit removal equipment. The design proposal includes installation in the current Mendenhall plant process areas.

TIMELINE: TBD

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Permit compliance, reduce treatment costs, and extend the useful life of the plant.



LEMON CREEK MULTIMODAL PATH

AMOUNT REQUESTED: $8M

AMOUNT SECURED: $1.75M

TOTAL PROJECT COST: $10M

PROJECT DESCRIPTION & UPDATE:

The requested funding would construct a multimodal path in Lemon Creek that connects residents to schools, shopping, jobs and services. CBJ is pursuing a Reconnecting Communities grant for FY23 that will include robust public engagement, route selection and preliminary design. The Assembly has appropriated 1.75M to advance design of the project as well as potential match for construction grant opportunities. The potential route will to extend from Glacier Highway at Vanderbilt Hill, across wetlands, then extend parallel to Egan to reach the Lemon Creek area. CBJ is also applying for a community Transportation Program grant for construction of the first third of the path.

PUBLIC PROCESS:

Project has been identified as a priority by the 2017 Lemon Creek Plan adopted into the Comprehensive Plan. Designated as the number one Legislative Capital Priority in 2021 and 2022.

TIMELINE:

Once full funding is secured, 18-24 months for design and construction.

WHO WILL MAINTAIN AND OPERATE? TBD

GOAL OF PROJECT: Advance Long term goal of a new non- motorized route.

Photo Credit: Juneau Empire

JUNEAU NORTH DOUGLAS CROSSING

AMOUNT REQUESTED: TBD

AMOUNT SECURED: $2M for PEL; $250,000 CBJ; $7M CDS

TOTAL PROJECT COST: $100M-$200M (depending on alternative)

PROJECT DESCRIPTION & UPDATE: A second crossing from Juneau to Douglas Island has been a priority for the community since the early 80s. An alternate access to the heavily populated Douglas Island will increase safety; if the only bridge now were to fail residents would be stranded and emergency services would be limited. It will reduce transportation times and open up new land to development. Thanks to Senator Murkowski, CBJ received $7M in Congressionally Directed Spending in FY23.

To build on the analysis and public outreach currently underway through the Planning and Environmental Linkages (PEL) Study to perform a robust cost benefit analysis and begin the environmental analysis to National Environmental Policy Act (NEPA) standards. Funding is being requested to complete NEPA initial design to a level where the project would be eligible for Federal Highway Funding under the Infrastructure Investment and Jobs Act.

PUBLIC PROCESS: Through the PEL process ADOT, with the help of DOWL engineering, has engaged in multiple stakeholder and public meetings, surveys, and listening sessions to identify both public sentiment on the project and potential alternatives.

TIMELINE: The PEL study is expected to be complete by spring of 2023. Building on the work of the PEL, NEPA should take 12-24 months.

WHO WILL MAINTAIN AND OPERATE? State of Alaska.

GOAL OF PROJECT: Community safety and economic development.

NEW CITY HALL

AMOUNT REQUESTED: TBD

AMOUNT SECURED: $6.3M

TOTAL PROJECT COST: $42.3M

PROJECT DESCRIPTION & UPDATE: This project will relocate City Hall to a new location on CBJ land in the Aak'w Village District at 450 Whittier. The new facility will consolidate city employees, eliminate the cost of rental office space for over two-thirds of CBJ downtown employees, and eliminate the use of the current aging, undersized city hall facility. The elimination of leased space will reduce CBJ operating expense by $820,000 a year and free up rental space for conversion to much needed downtown housing. A space needs analysis in 2019 determined CBJ needs 46,000 square feet for modest offices and public meeting space.

PUBLIC PROCESS: A conceptual design and economic feasibility analysis was performed in 2018. A winter of 2021 online survey showed that 76% of almost 1400 respondents were supportive of a new city hall. The feedback from the survey has been used to design a public process with a selection of a preferred alternative that narrowly failed a bond proposition in October 2022. CBJ is currently in the process of reengaging the public on change necessary to support the project and working on cost controlling measures.

TIMELINE: Once funding is secured, 3 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Consolidate CBJ offices, reduce CBJ operating cost in the long term, free up workforce housing.

CAPITAL CIVIC CENTER

AMOUNT REQUESTED: Federal Delegation—$35M; State of Alaska—$10M

AMOUNT SECURED: CBJ- $2M design; $10M commitment from CLIA for CBJ Passenger Fees

TOTAL PROJECT COST: $75M

PROJECT DESCRIPTION: This project will construct a new and renovated convention and performance center in Juneau Alaska. This project expands the current Centennial Hall and merges it with a new performing arts center to support the convention and visitor economy.

PUBLIC PROCESS: Conceptual studies of convention center elements (Centennial Hall) were performed in June of 2019 with several public meetings. Upgrades to the ballroom at Centennial Hall will be complete in August 2023. The performing arts campus (new JACC) also received public input throughout the development of design for a stand alone facility. Merging the two facilities into a large, single, facility was presented to the Assembly by stakeholder organizations in 2020. The Assembly funded conceptual design to build on previous design work and in late 2021 appropriated $2m to advance the project. NorthWind, JYW, and Hacker Architects have teamed up to provide design services and have worked with stakeholders to consolidate space and find design efficiencies.

TIMELINE: Once funding is secured, 3-3.5 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Support convention, arts and visitor economy.

MENDENHALL WASTEWATER TREAT. PLANT COMPLIANCE UPGRADE—SOLIDS REMOVAL

AMOUNT REQUESTED: $9.5M

TOTAL PROJECT COST: $9.5M

PROJECT DESCRIPTION:

The Mendenhall Treatment Plan currently lacks an effective treatment for fine suspended solids, this project would help the Mendenhall Plant meet its regulatory obligations. This project will design, provide site preparation, and construct the Microscreen unit operation which will remove an estimated 20% of the organic loading (Biologic Oxygen Demand).

TIMELINE: TBD

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Improve the Mendenhall Plant's permit compliance record.

JUNEAU SCHOOL DISTRICT WIDE SECURITY AND SAFETY UPGRADES

AMOUNT REQUESTED: $2M

TOTAL PROJECT COST: $2M

PROJECT DESCRIPTION:

This project will upgrade security cameras, phone systems, secure entryways, brush clearing, perimeter lighting, emergency egress lighting, back-up generators, and secured property. This project will increase the Juneau School District's security presence, which will help to deter vandalism, theft, and other criminal activities. The security and safety of our staff, students, and community is our main priority, and with this project upgrade, the District feels that it is taking the necessary steps to bring our facilities into the technology age.

TIMELINE: TBD

WHO WILL MAINTAIN AND OPERATE? JSD

GOAL OF PROJECT: Security and safety of district facilities.

Photo Credit: Oregon State University

MUNICIPAL COMPOSTING FACILITY DESIGN AND CONSTRUCTION

AMOUNT REQUESTED: $4M

AMOUNT SECURED: $2.5M CDS

TOTAL PROJECT COST: $6.5M

PROJECT DESCRIPTION:

This project will design and construct a commercial-scale composting facility to serve Juneau residents, businesses and institutions. CBJ will have the capacity to accommodate large scale producers such as grocery stores, and large restaurants and institutions (e.g., Bartlett Regional Hospital and Lemon Creek Prison) getting this waste out of both the sewers and the landfill. It is CBJ's intention to own the facility, but contract out the operations.

TIMELINE: Once funding is secured, 2 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Construct a municipal compost facility as part of a broader Zero Waste plan.

AURORA HARBOR REBUILD—PHASE IV

AMOUNT REQUESTED: $1M

TOTAL PROJECT COST: $7M

PROJECT DESCRIPTION:

Request for funding to continue the reconstruction of the Aurora Harbor Facility. Past work has been divided into segments. This request would continue preliminary design and begin permitting tasks.

PUBLIC PROCESS:

The project has been through a long term planning process with community outreach. It is the 4th phase of the larger reconstruction plans.

TIMELINE: Once funding is secured, 18-24 month design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Replace critical infrastructure and support maritime economy.

Photo Credit: Cathy Mahnke

AUKE BAY NEW BREAKWATER

AMOUNT REQUESTED: $5M

AMOUNT SECURED: $3.5M CBJ Scheduled 1 % Sales Tax

TOTAL PROJECT COST: unknown

PROJECT DESCRIPTION:

The requested funding would allow for the preliminary planning and design phases, including permit acquisition. This opens the opportunity for the construction of a new breakwater at the end of the Statter Harbor. The current facility has reached it's useful life and needs to be replaced. The new facility would allow for more moorage and provide economic stimulus to the community. CBJ would be the local sponsor for the US Army Corps of Engineers, who is federally responsible for the feasibility analysis, design and construction of the breakwater. Local match is required under federal law.

PUBLIC PROCESS: Identified as a Legislative Priority for FY2022

TIMELINE: Once funding is secured, 3 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Increase Moorage and recapitalization of aging infrastructure.

WATERFRONT JUNEAU DOUGLAS CITY MUSEUM

AMOUNT REQUESTED: $1M

AMOUNT SECURED: $2M CBJ Scheduled in 1% Sales Tax

TOTAL PROJECT COST: $12M

PROJECT TYPE: Planning & Design

PROJECT DESCRIPTION:

This project will construct a new museum on the waterfront to house art and other local collections. The museum will leverage its waterfront location to become a destination for visitors and locals. It will also free up the current museum adjacent to the State Capitol for expansion of the Capitol campus.

PUBLIC PROCESS: Identified as Legislative Priority in FY2023

TIMELINE: Once funding is secured, 2-3 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Grow the arts in Juneau and expand the Capitol campus.

NORTH DOUGLAS BOAT RAMP EXPANSION

AMOUNT REQUESTED: $250,000

TOTAL PROJECT COST: $20M

PROJECT DESCRIPTION:

Requested funding would accomplish the first steps to expanding the North Douglas Launch Ramp Facility. These include planning, research and permitting to initiate the project.

PUBLIC PROCESS: Docks and Harbors has solicited public input on the concept.

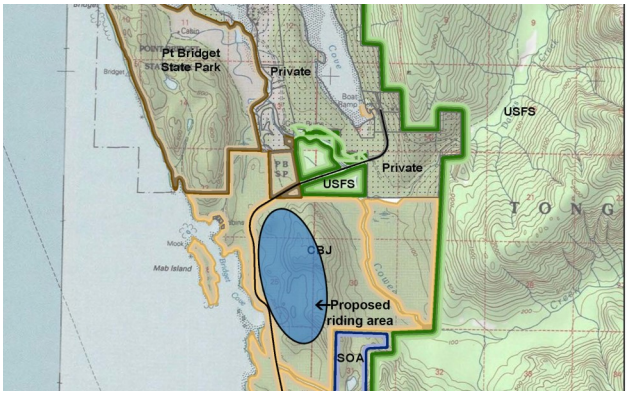
TIMELINE:

Once funding is secured, 18-24 month design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Improve safety and expand boating access & transportation.

CBJ Project Webpage: https://juneau.org/parks-recreation/project-list/entry/81872.



OFF-ROAD VEHICLE (ORV) PARK DEVELOPMENT

AMOUNT REQUESTED: $5.7M

AMOUNT SECURED: $300,000

TOTAL PROJECT COST: $6M

PROJECT DESCRIPTION & UPDATE:

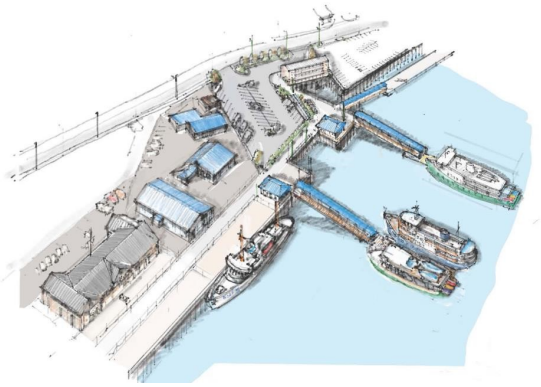
This project will address longstanding and unmet demand for sustainable off-road vehicle (ORV) recreation. This project will help meet demand for ORV recreation, provide a venue for training opportunities, reduce damage to sensitive habitats elsewhere, and reduce user conflicts.

PUBLIC PROCESS: A multi-year public process is in place to design, permit, and develop the 35-Mile ORV Riding Park. This process includes stakeholders such as the Juneau Off-Road Association (JORA), Trail Mix, Inc., conservation organizations, and citizen advisory boards.

TIMELINE: Once required permits and funding is secured, 3 year design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: To meet growing demand for off-road vehicle recreation, avoid user conflicts, reduce ongoing damage to sensitive resources and landscapes, and stimulate economic activity by creating new opportunities for outdoor recreation that do not currently exist in Juneau.



SMALL CRUISE SHIP INFRASTRUCTURE

AMOUNT REQUESTED: $30M

TOTAL PROJECT COST: $30M

PROJECT DESCRIPTION:

This project would provide the necessary improvements to construct a new 350-foot concrete float which would expand opportunities for small, American flagged cruise ships to operate more efficiently and to maximize Juneau as a turn-around port. These improvements will include structural repairs to the adjoining NOAA Dock. The plan encourages greater economic diversity for businesses serving the cruise industry by providing local goods/services (i.e. groceries/seafood, fuel, ship provisioning/repairs, etc.).

PUBLIC PROCESS:

Small Cruise Ship Infrastructure Master Plan Public Meeting November 10, 2020

https://www.youtube.com/watch?v=IAt23Xm-E7I

TIMELINE: Once funding is secured, 18-24 month design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Expand economic opportunities for Juneau small business in support of niche cruise vessel.

WEST DOUGLAS EXTENSION

AMOUNT REQUESTED: $4M

TOTAL PROJECT COST: $5M

PROJECT DESCRIPTION:

This project will continue construction of the gravel surface pioneer road from near the current end of the Douglas Highway to Hilda Point. The road will promote development, increase opportunities for recreational access to public lands, and enable closer access to new growth development areas that are identified in the CBJ Comprehensive Plan. Road access will assist land owners in their on-the-ground investigations required for formulating future development plans.

PUBLIC PROCESS:

West Douglas Roadway corridor alignment has been approved by Assembly and Planning Commission. This project has been identified as priority 'New Growth Area' by CBJ Comprehensive Plan and West Douglas Conceptual Plan.

TIMELINE: Once funding is secured, 18-24 month design and construction timeline.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Support long-term development.

AUKE BAY BAYWALK

AMOUNT REQUESTED: $250,000

TOTAL PROJECT COST: $30M

PROJECT DESCRIPTION:

The requested funding would accomplish the initial steps to build a Baywalk in Auke Bay. These include planning, research and property identification and examining the potential of providing a non-motorized link from the Auke Bay Ferry Terminal to the Auke Bay Harbor or the center of the Auke Bay Planning Area.

PUBLIC PROCESS:

These items were identified during the creation of the 2015 Auke Bay Area Plan adopted into the Comprehensive Plan.

TIMELINE: Once funding is secured, within 24 months of start date.

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: Improve Non-Motorized Route

JACKIE RENNINGER PARK DEVELOPMENT & PIPELINE SKATEPARK IMPROVEMENTS

AMOUNT REQUESTED: $4M

TOTAL PROJECT COST: $4,075,000

AMOUNT SECURED: $75,000

PROJECT DESCRIPTION:

This project will implement the master plan for Jackie Renninger Memorial Park, providing much needed access to outdoor recreation and open space for Juneau's most underserved neighborhoods. This 4.6-acre parcel is home to the Pipeline Skate Park and a small public restroom. This project would ensure the surrounding neighborhood has convenient and safe access to a playground.

PUBLIC PROCESS:

In 2022 the Assembly appropriated funding to develop a master plan for Jackie Renninger Park which will be completed by the end of 2023. This process will result in a conceptual design that will be fully developed in a subsequent design phase.

TIMELINE: Once funding is secured, within 2 years of start date

WHO WILL MAINTAIN AND OPERATE? CBJ

GOAL OF PROJECT: To provide access to parks and outdoor recreation services for Juneau's most underserved neighborhood.

APPENDIX

EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT THE CBJ LEGISLATIVE CAPITAL PRIORITIES LIST

by Katie Koester, Engineering and Public Works Director

Q: What are the Legislative Capital Priorities?

A: The CBJ Legislative Capital Priorities (LCP) is a document that lays out community priorities for capital projects, including a project description, rationale for why it's needed (benefits to the community), description of progress to date (money raised, plans drawn up, etc.), and estimated total cost. For CBJ projects, additional information is provided on the timeline for completion. Facilities that have alternative funding streams are not included on this list: for example, the Airport, Bartlett or projects that can be funded through Passenger Fees. See graphic on the following page for a diagram of how the different plans and lists relate to each other.

NOTE: Inclusion on the Legislative Capital Priorities is not a funding request. From CBJ's standpoint, it is a mechanism to prioritize projects and raise awareness of a needed project to increase chances of funding from various sources. Nominating a project for inclusion in the LCP should not be thought of as a request for municipal funding.

Q: Are the "legislative priorities" the same as the Capital Improvement Plan?

A: No, they are a prioritized list of projects that are pulled from various CBJ plans, including the Comprehensive Plan, Area Plans, and the Six-year Capital Improvement Plan. The Legislative Priorities are "short list" of projects on which CBJ will focus particular attention during the upcoming legislative session and with the federal delegation. (The goal is to get at least partial funding for a project included in the state capital budget or federal earmark.)

CBJ's "short list" of Legislative Priorities should have a limited number of projects on it. An attempt is made to phase projects so that funding requests range in size depending on available funds and objective. For the State Legislature, project descriptions are inputted into an online system lawmakers use to prioritize funding requests (CAPSIS). These are due in February.

Federal priorities are also solicited by the delegation through an online platform. The Assembly will designate projects that have a nexus with federal funding opportunities for submission to the delegation through the Legislative Priority process.

Q: What is a capital project?

A: A capital project is a major, non-recurring budget item that results in a fixed asset (like a building, road, parcel of land, or major piece of equipment) with a useful life of 20-50 years. Designing and building a new library is a capital project. Planning and implementing an after-school reading program is not a capital project. Most of the projects in the LCP are CBJ projects, but some are community projects spearheaded by a non-profit organization or state or federal agency (e.g., Alaska DOT). To be included on the LCP projects must have an estimated total project cost of at least $1,000,000.

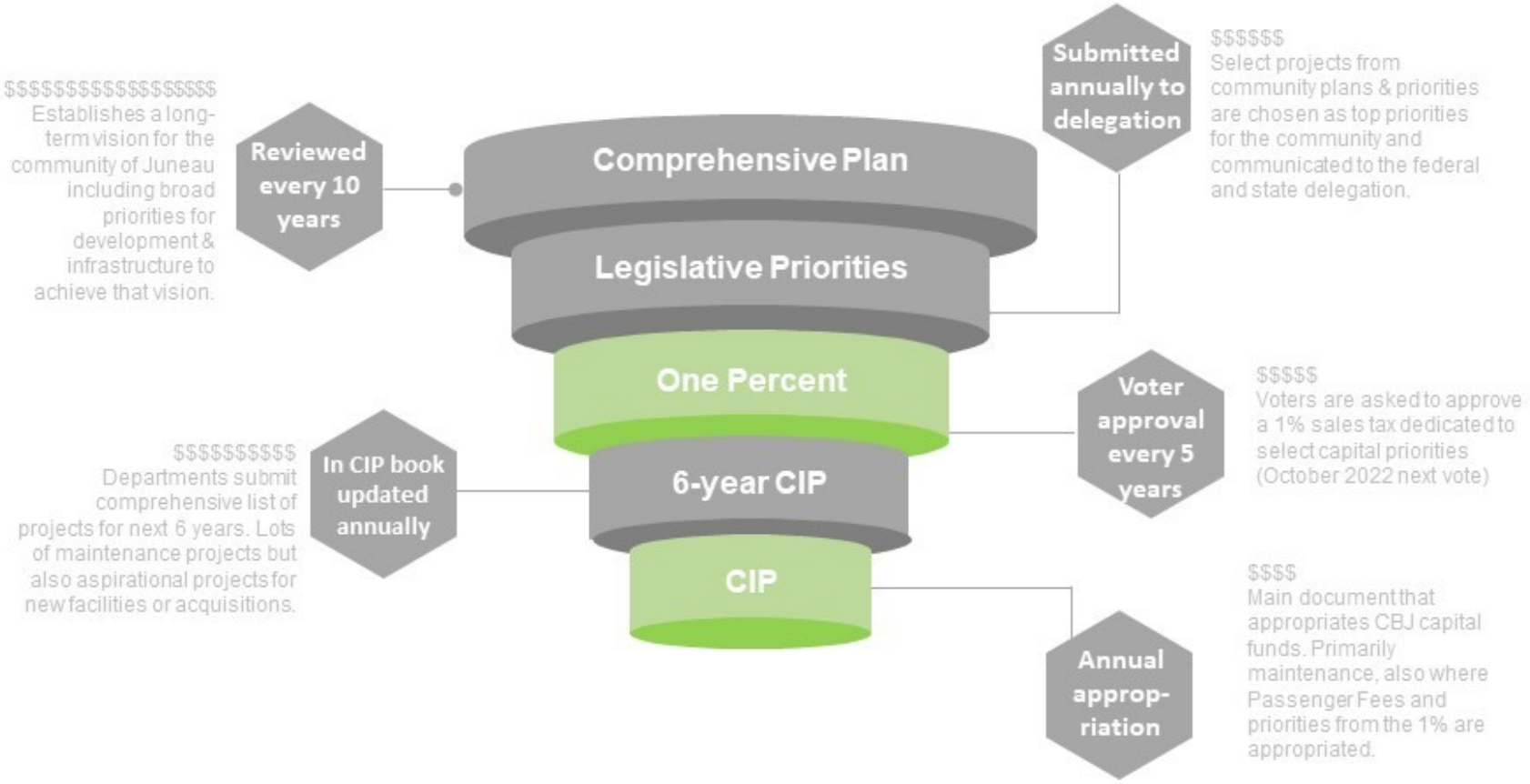
Q: Is the Legislative Capital Priorities list just "wish list," and if so, what's the point of writing up a "wish list"?

A: The Legislative Priorities list does include projects that are aspirational, and as such may have items that are so large or expensive, that it is hard to imagine completion in the near future. However, articulating these priorities helps guide the Assembly and the community through small steps that lead up to the larger goal and advocate towards a common goal. It will take time and discipline to keep the list an accurate and living document.

There are several reasons to include longer term projects on the Legislative Priority List, even when it seems like little progress is being made in accomplishing projects: 1) It helps focus attention on community needs. 2) It helps groups raise money for projects if the sponsor can say that the project has been identified as a community priority in the CIP. 3) Typically the more priority a municipality places on a project, the greater the chances it for a legislative appropriation.

CBJ lists, plans and priorities

How do the many CBJ lists of projects, plans and priorities relate to each other? This diagram shows how each document informs the one bellow it. The dollar signs represents the general volume of funds needed, but only the green rings are lists that come with the commitment of actual dollars.



Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900 www.bartletthospital.org

Memorandum

DATE: January 26, 2023
TO: City and Borough of Juneau Assembly
FROM: David Keith, BRH CEO
CC: Kenny Solomon-Gross, Board President
RE: FY24 Legislative Capital Budget Request – Bartlett Aurora Behavioral Health Center

SUMMARY:
Bartlett Regional Hospital (BRH) is in the final stages of construction of the new Aurora Behavioral Health Center on the BRH campus/ BRH is excited to provide needed behavioral health services to the Southeast Alaska community in keeping with our mission, vision, and strategic priorities. In addition to existing behavioral health services, the new facility will also provide 23-hour observation and residential crisis services, based on the Crisis Now model, to both adolescents and adults.

BRH is requesting $4,000,000 in FY24 State capital funding for the purposes of establishing crisis service patient and administrative space within the new Aurora Behavioral Health Center. These funds will also support the integration of crisis services into BRH's existing behavioral health service line, including the development of a facility specific Electronic Medical Record. Divisions within the State of Alaska are invested in seeing services developed within the Crisis Now model and have historically supported other organizations developing similar services.

BACKGROUND:
The Aurora Behavioral Health Center at BRH has been under construction since April 2021 and is expected to be completed in April 2023. The total project cost is anticipated to be $17.75M, and crisis services will occupy approximately 25% of the facility. $10.13M of funding has been secured through other sources. Receipt of the $4M funds will partially mitigate the remaining ($7.62M) funding gap - of which BRH will be absorbing.

The Aurora Behavioral Health Center will house the majority of behavioral health services offered by BRH; Behavioral Health Outpatient Psychiatric Services, Crisis and Community Intervention Services, and Applied Behavior Analysis (services to children on the autism spectrum). The two new services lines, Crisis Observation and Stabilization (less than 24 hours) and Crisis Residential Stabilization (24 hours to 7 days) will also be housed in the center. These two critical services under the Crisis Now model will be offered to both adolescents and adults. 23-hour services will have 5 adult and 2 adolescent recliners to provide crisis observation and stabilization services. Crisis residential service beds will be varied based on the population need. The structure allows for either 7 beds all for one population, or a 3 room for one age population and 4 room for the other age population configuration. The crisis services floor of the building was originally created with eight beds for services. One of the rooms was repurposed to provide 23-hour services for adolescents in an environment away from adults receiving the 23-hour services.

From July 2021 through June 2022 (FY22), BRH Psychiatric Emergency Services staff respo
average of 42 adults and 8 children/adolescents per month who presented in the emergency department with a behavioral health crisis (individuals may also have other medical complications requiring care). Crisis Stabilization Centers create a therapeutic environment with a "no wrong door" approach. This approach, consistent with the Crisis Now model, is also of benefit to law enforcement when responding to a call directly related to an individual in behavioral health crisis, providing an option in lieu of an emergency department or jail.

Recently, the U.S. Department of Justice released findings that the State of Alaska is deficient in ensuring community based behavioral health resources are available to adolescents, resulting in many being sent to higher levels of care outside their home community or the State of Alaska. Not only will BRH provide critical community-based services to adolescents through the Crisis Now model but will also create opportunities for the State of Alaska to demonstrate these community-based options in its response and long-term plan to address the findings from the investigation.

The crisis services will be available to the Juneau community as well as individuals throughout Southeast Alaska. We anticipate the crisis residential services for adolescents might receive statewide referrals based on the United States Department of Justice findings. We look forward to working with southeast and statewide partners to provide services to prevent adolescents from being sent out of state or to a higher level of care for needed services.

BRH is excited to be the first community in Southeast Alaska to provide these services based on the Crisis Now model. BRH will also be the first provider in Alaska to provide crisis residential services based on the model to adolescents. We look forward to sharing lessons learned in developing and operating these services, especially to the adolescent population, as other service providers open up in in the coming months and years.