



# ASSEMBLY COMMITTEE OF THE WHOLE AGENDA

January 27, 2025 at 6:00 PM

Assembly Chambers/Zoom Webinar

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**Assembly Committee of the Whole Worksession - No Public Testimony will be taken.**

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

**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. APPROVAL OF MINUTES**

1. January 29, 2024, Assembly Committee of the Whole Draft Minutes

**F. AGENDA TOPICS**

2. Eaglecrest - Gondola and General Finances

3. Title 49 Rewrite Legislation

4. JPD Annual Report & Impound Legislation (Ordinance 2025-07)

5. Capital Civic Center

**G. STAFF REPORTS**

**H. NEXT MEETING DATE**

Monday, February 24, 2025, 6:00p.m.

**I. SUPPLEMENTAL MATERIALS**

6. RED FOLDER Item: Capital Civic Center Cover Memo re: 65% Design

7. Capital Civic Center Powerpoint Presentation

**J. 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, e-mail: [city.clerk@juneau.gov](mailto:city.clerk@juneau.gov).

# ASSEMBLY COMMITTEE OF THE WHOLE

## **DRAFT** MINUTES



January 29, 2024 at 6:00 PM

### Assembly Chambers/Zoom Webinar

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#### A. CALL TO ORDER

Deputy Mayor Michelle Hale called the meeting to order at 6:01p.m.

#### 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

**Assemblymembers present:** 'Wáahlaal Gídaag, Christine Woll, Ella Adkison, Paul Kelly, Wade Bryson, Alicia Hughes-Skandijs (Zoom), Greg Smith, and Deputy Mayor Michelle Hale

**School Boardmembers present:** President Deedie Sorensen (Zoom), Vice-President Emil Mackey, Amber Frommherz, Britteny Cioni-Haywood

**Assemblymembers absent:** Mayor Beth Weldon.

**Staff present:** City Manager Katie Koester, City Attorney Robert Palmer, Deputy City Manager Robert Barr, Municipal Clerk Beth McEwen, Deputy City Clerk Andi Hirsh, Assistant Attorney Sherri Layne, Superintendent of Schools Frank Hauser, Eng/PW Director Denise Koch, IT Director Chris Murray, Lands Manager Dan Bleidorn, Housing Officer Joseph Meyers

#### D. MANAGER'S REQUEST FOR AGENDA CHANGES/APPROVAL OF AGENDA

*The agenda was approved without change.*

#### E. APPROVAL OF MINUTES

1. **March 6, 2023, Assembly Committee of the Whole Draft Minutes**
2. **April 3, 2023, Assembly Committee of the Whole Draft Minutes**
3. **April 24, 2023, Assembly Committee of the Whole Draft Minutes**
4. **December 2, 2023, Assembly Retreat Draft Minutes**

*Hearing no objection, the minutes of the March 6, April 3, April 24 Assembly COW meetings and the December 2, 2023, Assembly Retreat were approved by unanimous consent.*

#### F. AGENDA TOPICS

5. **Overview of the Juneau School District (JSD) Deficit**

Deputy Mayor Hale noted for the Assembly that the purpose of this topic in the packet tonight is to just introduce the matter to the Assembly. She noted that the Manager and Superintendent will provide a brief overview but that the Assembly will be discussing it at length at the joint meeting on January 30.

Manager Koester said that as mentioned by Deputy Mayor Hale, the purpose of this item is to introduce the information to the body at this junction in preparation for the joint Assembly/School Board meeting to be held on January 30. This gives the Assembly a chance to absorb and review the materials and to reach out to staff during the day in advance of the joint meeting in case they have any questions.

Superintendent Hauser provided a brief slide show presentation giving an overview of the budget deficit situation and what they will be providing more information on at the joint meeting on January 30. He then answered some questions from Assemblymembers related to timing to address the deficit as well as how to balance the budgets for the current and the proposed budget for FY25.

Ms. Woll asked about the structure of this meeting vs. the one tomorrow and if there would be an opportunity to ask questions at tomorrow's meeting. Manager Koester answered that for tomorrow's meeting, the first item on the agenda is a summary of this meeting and an opportunity for Superintendent Hauser to finish his presentation. The second item is a model tool that the district has adopted to help the community understand the magnitude of the cuts and what might happen under different scenarios followed by discussion of some potential loan options from CBJ. She is hoping at that point the Assembly will provide some direction to staff about the next steps.

#### **6. Results from the Request for Information (RFI) on Lease Space for CBJ Offices**

Manager Koester provided information about this RFI and the responses that were received. Staff recommend the Burns building for the reasons outlined in Manager Koester's memo. She noted the memo included questions that would need to be answered before moving forward as the preferred proposal. Some of the questions included parking, and Assembly comfort level for moving some or all downtown City employees to a leased facility, including space for the Assembly Chambers.

Manager Koester then proceeded to answer questions from Assemblymembers related to the parking issues, the lease rate for the first year and how much that might increase over time, if it would meet the needs for Assembly Chambers and other meeting space, what would happen to the present City Hall if it was completely vacated, and other questions.

Assemblymembers expressed their concerns with going 100% to a leased space option but considering the decisions from the last two elections, they were willing to look at whatever additional information staff is able to provide. It was mentioned that considering the issues related to the school district budget deficit, if the school district ended up consolidating buildings, they may also want to look at any potential for school district space to be used for city offices and/or Assembly Chambers.

Manager Koester said that they do not have the information for answering the questions related to the schools at this time. She said that when looking at the new city hall question, that question had been brought up but her answer at the time was that it would be a heavy lift. She said when we do hear from JSD, we are likely not going to hear that any of the downtown schools would be able to accommodate the city hall needs and any school conversion would have a large capital cost and would have an extended time horizon to be a viable option.

Each of the Assemblymembers weighed in with their comfort level with staff moving forward to getting more information about leasing the Burns Building. After each member weighed in with their concerns and comments, the committee gave the City Manager directions to enter into negotiations with Ricker Real Estate for the purposes of gathering information and reporting back to the Assembly at the February 26, COW meeting.

#### **7. Xunaa Borough Annexation Petition - CBJ comments to Local Boundary Commission**

Manager Koester and Mr. Palmer gave a presentation regarding the previous annexation petition, specifically the one that was proposed in 2018/2019, and historical references along with the maps and areas involved. They noted that the time to comment on the Xunaa Boundary Annexation Petition is at the end of February.

‘Wáahlaal Gídaag asked what conversations have happened between CBJ, Angoon, Haines, and the Awk Kwáan. Manager Koester said that she just informed about this application at AML in December and she just briefly discussed it with representatives from Hoonah.

Ms. Hughes-Skandijs asked for some more details about the conversation they had with Hoonah representatives. Manager Koester noted that CBJ has had good ties and relationships with City of Hoonah. She said that CBJ and Hoonah administrations have had conversations in the past about this and that it wasn’t a big surprise that this petition was filed. She said that when staff and Mayor Weldon met with the Hoonah Administrator and Hoonah Mayor, they discussed the previous annexation submission and the tenor of this conversation was “Let’s see how it plays out.”

Assemblymembers asked staff about the previous annexation process, why it stopped and what they might be able to do if they did decide to file a public comment or partial opposition. Deputy Mayor Hale noted that only she and Mr. Bryson were serving on the Assembly at the time of the 2018/2019 annexation petition.

Mr. Palmer explained that CBJ has a fair amount of data from the 2018/2019 project, we could file a public comment supporting the bulk of Hoonah’s project with limited objection. He suggested that if they wanted to do a limited objection, they could choose to object to the annexation of just Horse & Colt Islands or it could be the full Mansfield peninsula.

Additional discussion took place regarding annexation process and the options before this Assembly. Mr. Palmer explained that if CBJ decides not to comment, presumptively all the areas on the map in the packet would become part of the Hoonah borough and those properties would be under Hoonah law. However, if we object or partially object, Horse, Colt, and Funter Bay would be in the unorganized borough and would not be subject to Hoonah or CBJ laws. He also spoke to the laws and regulations governing the Local Boundary Commission.

Ms. Hale asked if they decided to object or partially object, would Funter Bay be included or excluded?

Mr. Palmer said that it would depend on Assembly action.

**MOTION** by Mr. Smith for the Assembly to direct staff to draft a resolution objecting to the Mansfield Peninsula as indicated on Map D as well as for Colt and Horse Islands from the Xunaa annexation petition. The entire Mansfield Peninsula area includes Horse and Colt Islands but not excluding Funter Bay.

Ms. Woll objected. She said that she feels like they have spent too much time stepping back into this. She said they have other priorities to take up at this time and no one has asked CBJ to object to this.

‘Wáahlaal Gídaag also objected, annexation conversation is one thing but that we can’t step into this without stepping into this. She doesn’t want CBJ to object to the annexation petition just to object. She said that she would prefer to see conversations with the other boroughs that abut the areas to have conversations rather than CBJ just objecting outright.

Mr. Bryson thanked Mr. Smith for the motion so they could have time to consider this further. He asked what cultural significance would be for Juneau to have a statement on this vs. not having a statement on this. ‘Wáahlaal Gídaag said that as a Haida person not from this territory, she can’t speak for the Awk Kwáan and that is why she was asking if there have been conversations with the Awk Kwáan about this topic yet.

Ms. Hughes-Skandijs said that in reviewing this, and for the reasons previously stated by Ms. Woll and ‘Wáahlaal Gídaag, watching as a resident, she was not thrilled with original annexation process in 2018/19 will probably be a no vote.

Mr. Kelly said that he finds himself on the fence about this one. He asked if any of these comments were brought up when this was discussed previously.

Mr. Palmer said that during the previous annexation process, there was not a lot of opposition with respect to the Tracy Arm area, but Admiralty Island was subject to very significant opposition. The community of Angoon sent members to Juneau at least once with several residents to protest the annexation of Admiralty Island areas by

Juneau. He said they had significant concerns back in 2018-2019 and may have been what led to the lines drawn around Funter Bay on the map included in the packet.

Ms. Hale said that one of the concerns she has about not moving this forward to the Assembly meeting of February 5, that would not allow other members of Juneau public and the Awk Kwáan to be up for Public Testimony, it stops here. She said that for those reasons, she would like to see the resolution come back to the Assembly.

Ms. Hughes-Skandijs asked Mr. Palmer if citizens could comment directly to the Local Boundary Commission (LBC). Mr. Palmer said that, yes, the Local Boundary Commission is taking public comments on the proposed annexation up until February 28 from anyone, including private citizens who may want to comment on it. He said that is the start of the process and there will be a second opportunity to comment at the public hearing held by the LBC in the future.

**ROLL CALL VOTE** on the motion to direct staff to draft a resolution to be brought back to the Assembly

**Yeas:** Smith, Adkison, Kelly, Bryson, Hale

**Nays:** 'Wáahlaal Gídaag, Woll, Hughes-Skandijs

**Motion passed 5 Yeas, 3 Nays.**

## **8. Legislative Capital Priorities List**

[Please see the documents provided in the 1/25/2024 Assembly Worksession with Legislative Delegation packet.](#)

Ms. Hale noted that the Assembly reviewed this list with the Legislative Delegation the previous week. She asked members to weigh in on whether they think that this list needs to be reprioritized from Assemblymembers' perspectives or if they are good with the list as is.

Mr. Smith said that during his work at the State Legislature, they found this list very useful although they may not have looked at the priority order with as much scrutiny as it was compiled.

'Wáahlaal Gídaag said that her main thought was if the Juneau School District still feels like the "JSD-Wide Security & Safety Upgrades" still warranted the #12 ranking in the list given everything else that is going on with the school district.

Manager Koester said that they did not go back and discuss this with JSD since the recent deficit news. However, she said that there is the JSD-Wide HVAC and Heating Control System Upgrades ranked at #6 and that is likely to stay on the list and may in fact have it combined with the #12 ranked item for security and safety upgrades.

Manager Koester also spoke to the conversation at the previous meeting with the legislative delegation and how this list corresponds to the federal legislative priorities.

Ms. Hale thanked Manager Koester for the work on this list and said that it will be forward for approval at the next regular Assembly meeting.

*The committee then took a break at 7:50p.m. and resumed the meeting at 7:56p.m.*

## **9. Juneau Affordable Housing Fund - Ordinances 2023-14(b)(U) and 2023-14(b)(V)**

Ordinances 2023-14 (b)(U) and Ordinance 2023-14(b)(V) were introduced at the January 8, 2024, Assembly meeting, referred to the COW and set for Public Hearing (pending COW action) at the February 5, 2024 Assembly meeting.

**Ordinance 2023-14(b)(U)** *An Ordinance Appropriating \$900,000 to the Manager for a Loan to Coogan Alaska, LLC for the Island Hills Building LMN Project; Funding Provided by the Affordable Housing Fund.*

**Ordinance 2023-14(b)(V)** *An Ordinance Appropriating \$2,250,000 to the Manager for a Loan to Chilkat Vistas, LLC for Chilkat Vistas Apartments; Funding Provided by the Affordable Housing Fund.*

Manager Koester provided an overview of the two ordinances. She noted a typo correction to be made to her memo found in the packet on page 59 that referenced 20% of Area Median Income (AMI) but should have been referencing 80% AMI instead.

Manager Koester took questions on **Ordinance 2023-14(b)(U) An Ordinance Appropriating \$900,000 to the Manager for a Loan to Coogan Alaska, LLC for the Island Hills Building LMN Project; Funding Provided by the Affordable Housing Fund.** before moving on to **Ordinance 2023-14(b)(V) An Ordinance Appropriating \$2,250,000 to the Manager for a Loan to Chilkat Vistas, LLC for Chilkat Vistas Apartments; Funding Provided by the Affordable Housing Fund.**

‘Wáahlaal Gídaag said that they had a long discussion about what had taken place before when an applicant had come back to the Assembly and said that they couldn’t make the units affordable and asked for an exemption. The Assembly gave them the requested exemption at that time. She said that the Assembly also discussed, at that time, the fact that they wanted to be sure that it never happened again. She asked what sureties there are to make sure if these are approved, they will maintain the affordability that is built into the application process.

Manager Koester said that it ties right into the next agenda item which is a formalization of the Affordable Housing Fund Guidelines through the adoption of a resolution. She said that it is hard to say what guarantee there is because the Assembly can do whatever it wants on this.

In speaking to **Ordinance 2023-14(b)(V) An Ordinance Appropriating \$2,250,000 to the Manager for a Loan to Chilkat Vistas, LLC for Chilkat Vistas Apartments; Funding Provided by the Affordable Housing Fund.**, Manager Koester said that this ordinance is for 45 units which consists of 18 efficiency and 27 one-bedroom units. She noted that since the initial application was submitted, Chilkat Vistas said that market conditions have changed and asked to revise their project to build 48 efficiency units with 14 units capped at \$1,400/mo. adjusted for inflation and 31 units at 80% AMI which would be (\$1712 for an efficiency apartment). They are requesting that the ordinance be adjusted to reflect those changes.

**MOTION** by Ms. Hughes-Skandijs to move Amendment #1 as found in the packet and asked for unanimous consent.

Ms. Woll objected and requested clarification on the protocol if the ordinance hasn’t yet been moved.

Mr. Palmer explained that the ordinance was already introduced at the Assembly referred to the COW and set for public hearing so the COW can forward an amendment at this time and if it passes, the amended version will go back to the Assembly for public hearing.

**Ms. Woll removed her objection and Amendment #1 passed by unanimous consent.**

Ms. Hale asked Ms. Hughes-Skandijs to clarify if her motion was to refer Ordinance 2023-14(b)(V), as amended, back to the Assembly for Public Hearing on February 5.

**MOTION** by Ms. Hughes-Skandijs to move both ordinances back to the Assembly for public hearing on February 5. **Hearing no objection, the motion passed by unanimous consent.**

## **G. IF TIME ALLOWS**

### **10. Formalizing the Juneau Affordable Housing Fund Guidelines**

Manager Koester explained the memo in the packet along with the timeline for the Affordable Housing Fund process. She explained that in theory, the Assembly would weigh in at the beginning of the process if they wanted to have any key areas highlighted or changed before the application process began. She noted that this may be somewhat of a philosophical discussion for the Assembly to have which could take place during this meeting or at another time.

Assembly and staff then discussed the concepts in the memo. Members expressed their appreciation for having the guidelines while still having the ability to change and provide some flexibility at the Assembly level if/when it does come before the Assembly for final approval.

**MOTION** by Ms. Woll to direct staff to bring a resolution forward to the Assembly that would formalize the current Juneau Affordable Housing Fund Guidelines and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

**11. Assembly Goals/Retreat Follow-up**

This includes a report from CDD Director Lawhorne on the plan for Title 49 changes and Tourism Manager Pierce on Tourism Management.

Manager Koester provided a verbal cover memo. She noted that these are the Assembly Goals that were modified following the Assembly Retreat. She recommended the COW forward these goals to the Assembly for final adoption at its next regular meeting.

Manager Koester also noted that in the packet were letters from Director Lawhorne and Tourism Manager Pierce as follow up from the Assembly Retreat. The first letter from Director Lawhorne is an approach for tackling Title 49 changes. Tourism Manager Pierce’s letter was addressed at the Lands, Housing and Economic Development Committee earlier in the day and she would like to include both these topics on the next COW agenda for further discussion but wanted to be sure the Assemblymembers had a chance to read them in advance of that meeting.

Ms. Hale asked members if they had any changes to the goals document. She noted that she did have one change that she wanted to make to Goal 5B on packet page 79 and that would be to make the following change under the implementing action replacing the words “general government” with “CBJ” so that it reads: ***Identify and prioritize the most cost-effective energy efficiency and electrification upgrades in general government CBJ facilities.*** She said that it would encompass all CBJ including BRH, JSD, and all other parts of CBJ. Hearing no objection, that change was approved by unanimous consent.

**MOTION** by Mr. Kelly to forward the Assembly Goals, as amended, for approval at the next Assembly meeting and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

**H. NEXT MEETING DATE - February 12, 2024; 5:30p.m. Chambers/Zoom**

Ms. Hale noted that the February 12 meeting is a Special Meeting with a modified time since this was too full of an agenda to cover all the topics at this meeting.

**I. SUPPLEMENTAL MATERIALS**

- 12. Attachment B to Options for Land Use Code Regulatory Changes (11"x17" size paper)**
- 13. JSD Budget Overview Presentation to Assembly COW**
- 14. Area D - Map for Annexation Agenda Topic

**J. ADJOURNMENT**

*There being no further business, the COW meeting was adjourned at 8:34p.m.*



## **MEMORANDUM**

**Date: January 24, 2024**

**To: Borough Assembly, Committee of the Whole**

**From: Katie Koester, City Manager and Alexandra Pierce, Visitor Industry Director**

**Re: Eaglecrest Financial Analysis**

The Assembly asked the Manager's office to provide a review of the timeline and assumptions for the Eaglecrest gondola project and a pro forma that included reinvestment in winter infrastructure and an analysis of the timeline for Eaglecrest becoming financially self-sufficient. In order to effectively perform this analysis, Mr. Duncan needed to do a full financial review of the current and future issues facing Eaglecrest.

The Manager's office asked Kirk Duncan to provide the information requested by the Assembly. While it is difficult to say that Mr. Duncan is totally objective, his experience as the General Manager at Eaglecrest (2004-2011), Director of CBJ Public Works (2011-2015) as well as being CBJ Director of Parks and Recreation (2015-2018) translate to a unique knowledge of the ski area, CBJ governmental operations, and the issues concerning operating aging infrastructure in Juneau.

Selecting an outside contractor to provide the same information would have taken considerable time for the contractor to develop the total picture of Eaglecrest and hiring Mr. Duncan reduced the "learning curve" for the report. Mr. Duncan was hired by the Eaglecrest Board over the summer to identify issues concerning getting the operation open for the 2024-2025 season as well as assisting the Board in recruiting and hiring the new General Manager for the ski area.

When hired by the Manager's office for this report, Mr. Duncan's task was to identify the issues that the Eaglecrest Board and the Assembly will need to consider between now and the time the gondola comes online. In addition, Mr. Duncan was asked to provide a series of financial projections for the gondola operation as well as the winter ski operation going



forward. Duncan was not tasked to come up with a specific set of recommendations as that will need to be developed by the Eaglecrest board. However, in order to properly address summer operations, the costs and needs of winter operations need to be considered. Therefore, Mr. Duncan also provides context around the major issues facing Eaglecrest over the next several years with the intention of assisting the Board in developing operating plans.

There are three major takeaways for Assembly consideration:

1. While the report shows that the gondola will generate the revenue necessary to make Eaglecrest self-sufficient, if the assumptions in takeaway #3 are accurate, there will be significant funds needed to bridge the gap between today and when the gondola comes online.
2. Eaglecrest's preventive maintenance program has been less robust than needed to keep up with aging infrastructure. This is not new information to the Board or the Assembly, however, it is timely to have a discussion about how the most critical needs can be addressed to ensure continuity of operations. Some projects will need to be funded in the short-term to avoid this issue compounding in the long-term.
3. CBJ does not have a market analysis for the gondola that supports the \$85/ticket wholesale price set by the board. JEDC performed an initial analysis in 2022 that considered a \$35 ticket price. The only information we have to support the \$85 wholesale price (which does not include Goldbelt's share, transportation, and cruise line markup) comes from Goldbelt. CBJ does not have access to the supporting information that led to this decision. Because of this, Mr. Duncan presented a range of pricing options. In all of these scenarios, the Gondola turns a profit that can support Eaglecrest, the difference lies in the funds available for reinvestment in summer and winter operations. Mr. Duncan's projections do not include winter operational costs for the gondola. He suggests offsetting winter costs through requiring an extra pass for gondola use, with the argument that new children and beginners, the users that Eaglecrest is particularly interested in attracting, will not need access to the expert terrain serviced by the gondola.

The next steps are for the Eaglecrest Board to come forward with a concrete plan for FY25 in the form of a supplemental request, and the FY26 budget.

**Recommendation:** discuss Eaglecrest report; schedule joint meeting with Eaglecrest Board to discuss follow up and next steps.

Mayor Weldon and Members of the Assembly,

The Eaglecrest Board is pleased to take this opportunity to provide comments on the report entitled “Eaglecrest Financial Analysis”, hereafter referred to as the Duncan Report, that was completed at the request and under the direction of the City Manager.

Before we weigh in on the report, the Eaglecrest Board would once again like to thank the Assembly for its support of Eaglecrest. Eaglecrest has been proud to average around 70% cost recovery on an annual basis, however, without annual general fund support from the Assembly, Eaglecrest would cease to exist. The Assembly has repeatedly signaled its support for Eaglecrest by providing the budget increments needed to increase our pay plan to attract and retain ski industry professionals and it has committed to our long-term future by purchasing the gondola and signing a contract with Goldbelt to provide the necessary capital to install it.

Even with the financial support for the gondola, we realize that both the public and the Assembly have had concerns about the financial viability of summer operations, which is why the Duncan Report was commissioned. However, the report went much further than providing an analysis of the summer business plan and spends a considerable amount of time analyzing current operating conditions and management which, as we understand it, were outside the scope of the study.

In general terms, the conclusions of the Duncan Report in many ways align with the stance of the board over the past years. While the board has concerns about the report’s methodology and tone, and about some of the specific examples used in the report, we also agree that Eaglecrest’s current budget is inadequate in significant ways.

We agree that Eaglecrest’s pay plan is deficient. While we have worked hard to raise it, it still remains below industry standard. This is why we commissioned a wage study and provided it to you in 2024. Our purpose was to establish a baseline to justify future pay scale increases, subject to the Assembly’s ability to fund them. Improving the Eaglecrest pay plan is, and will continue to be, a board priority and the board and staff look forward to providing you with a plan to address it.

We agree as well that Eaglecrest faces challenges in funding and completing deferred and planned maintenance of our lifts and infrastructure. This is a problem that has challenged Eaglecrest for decades and is finally coming home to roost in our 50<sup>th</sup> year of operation. The board and staff look forward to presenting you with a plan to address these issues through the CIP and operating budget process.

We also feel the need to point out that it was the recognition of these issues with the Eaglecrest budget that led to the decision to develop summer operations in order to increase revenue, which led to the decision to purchase a gondola.

We wholeheartedly agree with the Duncan Report's conclusion that the gondola and summer operations provide the revenue required to re-invest in Eaglecrest over the next decade. While the assumptions of the Duncan Report differ from the various financial analyses that have been presented to the Assembly in the past, the projected rate of growth of the Eaglecrest fund balance once summer operations commence is almost identical to what we presented to you in January of 2024.

The Duncan Report also independently supports the information provided to the Assembly on February 27, 2022, in the packet for ordinance 2021-08(b)(am)(Z) (the gondola purchase ordinance) which contained a JEDC review of the gondola/summer operations financial pro-forma as well as a CBJ Engineering review of the development costs. It is highly encouraging that an independent reviewer has reached the same conclusion that the staff, board, and other entities have reached in the past and completely underscores the criticality of completing the project and commencing operations as soon as possible.

Finally, we would like to address the comments in the Duncan Report regarding the board itself. An independent and empowered citizen board is critical to the success of Eaglecrest. Initially Eaglecrest was run by the City Parks and Recreation Department however this proved difficult due to the ski area's specialized needs. To address this, the Assembly established the empowered Eaglecrest board in 1981 after it was approved by voters in the general election. The current board has members who have worked in the ski industry and also has members with expertise in accounting, project management, human resources, and more. While the members serve at the

pleasure of the Assembly and may come and go over the years, an empowered board provides the community input and management expertise needed as we enter the next fifty years of Eaglecrest operations.

Thank you for your consideration of our concerns. We also would appreciate the opportunity to provide our comments on the report when it is delivered to you at the COW meeting on Jan. 27.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Satre", with a long horizontal flourish extending to the right.

Mike Satre, President

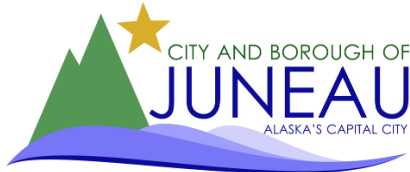
Eaglecrest Board of Directors

# Eaglecrest Financial Analysis



Photo courtesy of Eaglecrest website

Prepared for City and Borough of Juneau



Submitted by:

**Kirk Duncan**

Former Eaglecrest General Manager and  
CBJ Public Works and Parks & Recreation Director  
December 30, 2024

## Executive Summary

This report's purpose is to provide an objective view of the current state of Eaglecrest, what will be needed in the next several years, and expectations for gondola project financial performance.

The Eaglecrest Ski Area is at a pivotal time in its history. Three of the five senior management positions are held by newly hired individuals who are qualified to do the job but face steep learning curves. Eaglecrest is a complicated ski area compared to many areas of its size in that it has extensive avalanche mitigation which increases costs. In addition, its relatively low elevation and maritime climate make a consistent opening date and operations a challenge. Compounding this issue, Eaglecrest has not kept up with paying competitive wages to its employees as indicated by the "Comparative Wage and Salary Analysis compiled by Sierra Research Associates 2022-2023" and lacks a coherent long term pricing structure and has added year-round, full-time, benefitted positions.

This report endeavors to present the range of issues affecting Eaglecrest, projections for future revenue, and options for "bridging the gap" between today and such time as winter operations at Eaglecrest are subsidized by summer revenue. This information will be presented in the form of FY25 and 26 concerns, followed by projections for revenues for future gondola operations.

As made apparent by the loss of the Black Bear Chairlift for the 2024-2025 ski season, Eaglecrest has not maintained its lifts to an acceptable standard and at present does not have adequately trained lift mechanics. While the new management intends to develop necessary training programs, until such time that staff is fully trained, additional funds over current levels will likely be required for contracted services. Insufficient maintenance and lack of ongoing training over the past several years have resulted in the Black Bear chair not operating this winter and added to the cost of maintenance on the other chairlifts in the years to come.

There is much hope that gondola summer operations will "save" Eaglecrest, supporting additional investment in the ski area and ultimately replacing city support for winter operations and the financial projections shown later in this document support that. However, as in any business endeavor, future financial performance is uncertain, particularly in the absence of market demand research. How many people will use the service and how much are they willing to pay for the service? These questions are critical when planning a restaurant, a gas station or any other enterprise. This important due diligence has never been done for the gondola. The expense numbers are relatively easy to develop, however, the revenue numbers are very uncertain, leaving the gondola operation business plan with a wide range of possible financial outcomes – three different scenarios are presented herein.

Many of the issues facing the ski area can be traced back to the Eaglecrest Board of Directors. While board members are very dedicated to the ski area and its success, the governance structure of an empowered board directing a general manager with broad authority creates a sense of separation between Eaglecrest and the rest of CBJ. This system functions well with a board made up of committed individuals with broad experience and a general manager who is proficient in both navigating municipal government and operating complex ski area infrastructure. The inherent structural challenges associated with empowered board become apparent when any of these factors is out of balance. As

such, the Assembly should take a hard look at Eaglecrest's governance and consider where improvements in accountability and support can be made.

Due to factors including the need to purchase lift maintenance parts (i.e. gear box rebuilds) and contractual services to perform the work needed on all chairlifts in Fiscal Year 2025 to ensure those parts are in Juneau for the summer maintenance season of 2025 (Fiscal Year 2026) as well as an apparent budgeted increase in season pass and daily lift ticket revenue that did not occur during the management transition, Eaglecrest may have an increase in the budget by as much as \$750,000. . This amount could be offset by increasing the level of general fund support, increasing the negative fund balance, increase in fund raising, reducing costs, or some combination of these or other offsets.

In FY 2026, if the decision is made to increase Eaglecrest salaries/wages to a competitive level, as identified by the wage study, the increased costs will range between \$600,000 and \$800,000. This increase assumes that Eaglecrest maintains its current staffing level. There will be one more year of increased lift maintenance costs before Eaglecrest will be back on a more routine preventive maintenance program. Lift maintenance and personnel services could increase the budget by as much as \$1,500,000. There may be some limited opportunity to offset increased costs with increased user fees, though development of a rationalized pricing model and strategy would first be required.

In FY 2027, the ski area will be back to "normal" winter operations with no need to bring in outside lift maintenance contractors as the two lift mechanics will have been trained. This will be the year when some up front gondola expenses occur. These would include the need to hire two additional lift mechanics to maintain the gondola, some capital equipment costs related to the gondola operation such as an all-wheel drive 18 passenger van to get people off the top of the mountain if the gondola has a mechanical issue, additional evacuation equipment purchases, potential point of sale interface costs and other related items. These FY 27 gondola expense numbers have not been factored into the operating budget as these costs may come out of the construction budget, yet to be determined.

With regard to the financial projections for the gondola, three scenarios have been developed (more details on the following pages).

In FY 2028, if the gondola realizes it's projected ridership and revenue targets (40,000 riders with revenue of \$85 per rider as specified by the Eaglecrest Board) and expected expenses are correct, the summer operation would have net income of about \$1 million. With projected ridership increasing to 125,000 and revenue per rider increasing to \$125, the gondola would generate net income of \$10 million annually by 2043. Eaglecrest would over time be able to invest \$19 million back into the mountain, have a positive fund balance of \$42 million by 2043 and no longer need general fund support by 2031.

If revenue per rider is assumed at \$65 (rather than \$85) and ridership remains as projected, the mountain will have adequate revenue to reinvest \$19 million, have a \$31 million fund balance and not need general fund support after 2031.

In a third scenario, ridership again remains the same, revenue per rider drops to \$45. Eaglecrest has \$6 million to invest in the mountain, a positive fund balance of \$3.6 million and does not require general fund support after 2031.

This financial modeling should be updated as better ridership and revenue-per-rider estimates become available. Eaglecrest is relying on Goldbelt's expertise in estimating ridership expectations and revenue per ticket projections.

More details about the financial aspects of the gondola are provided later in this document.



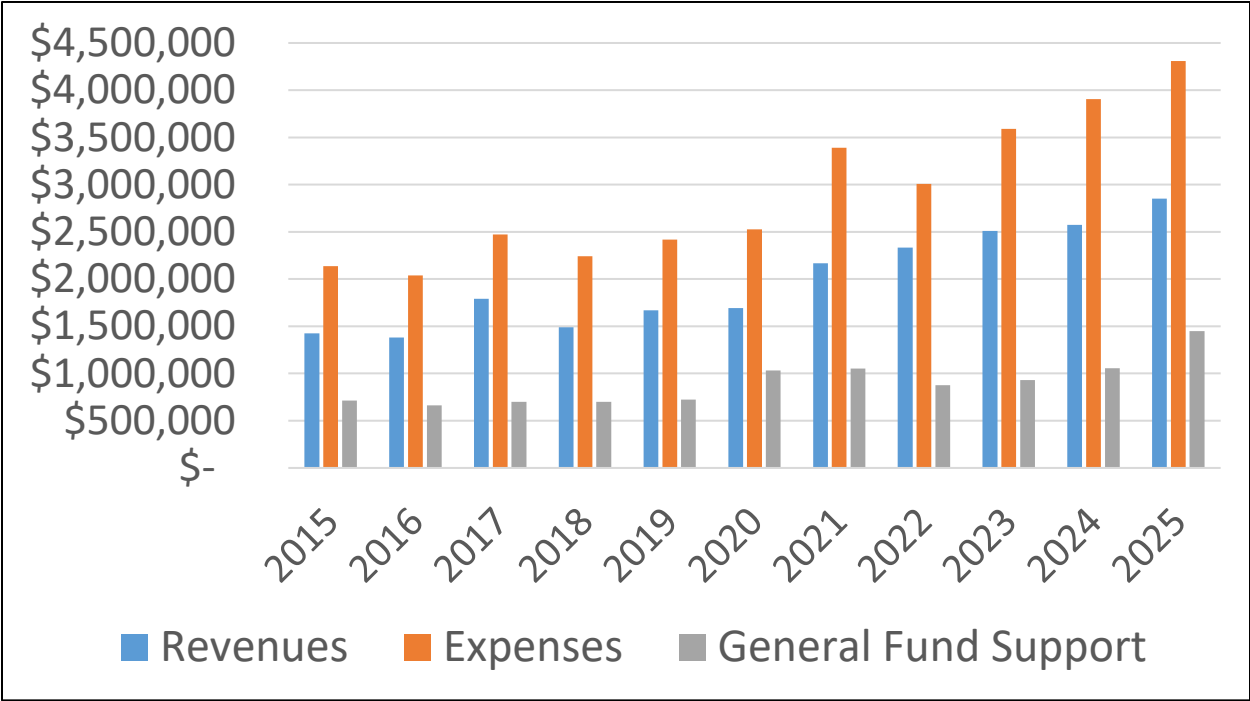
# Eaglecrest Financial Review

The CBJ Website under the Finance Department tab has Annual Financial Reports going back to 1997. During that time period, Eaglecrest averaged a 70% cost recovery (70% of expenses covered by user fees)

As demonstrated in the table below, during the years 2003 to 2012, Eaglecrest operated with a negative fund balance after a season (2003) where the Board decided to give refunds and season pass credits to make up for a low snow year. Eaglecrest paid off that negative fund balance by FY 2014 and maintained a positive fund balance until FY 2024 when an inventory write-off of obsolete parts caused Eaglecrest to create a negative fund balance of \$160,000.

Eaglecrest Financial History							
Winter Operations							
	Fiscal	Revenues	Expenses	General Fund	Operational	Fund	Cost
	Year			Support	Result	Balance	Recovery
Actual	1997	\$ 826,972	\$ 1,201,915	\$ 363,100	\$ (11,843)	\$ 162,303	69%
Actual	1998	\$ 661,252	\$ 1,148,537	\$ 363,100	\$ (124,185)	\$ 38,118	58%
Actual	1999	\$ 1,247,663	\$ 1,400,375	\$ 363,100	\$ 210,388	\$ 248,506	89%
Actual	2000	\$ 1,174,330	\$ 1,409,882	\$ 358,100	\$ 122,548	\$ 422,207	83%
Actual	2001	\$ 772,842	\$ 1,344,989	\$ 358,100	\$ (214,047)	\$ 208,160	57%
Actual	2002	\$ 1,061,114	\$ 1,596,916	\$ 358,100	\$ (177,702)	\$ 30,458	66%
Actual	2003	\$ 470,893	\$ 1,399,255	\$ 388,100	\$ (540,262)	\$ (509,804)	34%
Actual	2004	\$ 1,110,423	\$ 1,641,870	\$ 388,100	\$ (143,347)	\$ (653,151)	68%
Actual	2005	\$ 1,057,928	\$ 1,610,295	\$ 488,100	\$ (64,267)	\$ (717,418)	66%
Actual	2006	\$ 1,089,369	\$ 1,795,484	\$ 594,302	\$ (111,813)	\$ (829,231)	61%
Actual	2007	\$ 1,460,172	\$ 2,038,425	\$ 600,000	\$ 21,747	\$ (807,484)	72%
Actual	2008	\$ 1,496,611	\$ 2,094,687	\$ 650,000	\$ 51,924	\$ (755,560)	71%
Actual	2009	\$ 1,680,879	\$ 2,333,294	\$ 700,000	\$ 47,585	\$ (707,975)	72%
Actual	2010	\$ 1,661,436	\$ 2,298,074	\$ 750,000	\$ 113,362	\$ (594,613)	72%
Actual	2011	\$ 1,761,638	\$ 2,402,519	\$ 750,000	\$ 109,119	\$ (485,494)	73%
Actual	2012	\$ 1,958,429	\$ 2,468,678	\$ 750,000	\$ 239,751	\$ (245,743)	79%
Actual	2013	\$ 1,976,769	\$ 2,528,769	\$ 750,000	\$ 198,000	\$ (47,743)	78%
Actual	2014	\$ 1,987,696	\$ 2,597,762	\$ 750,000	\$ 139,934	\$ 92,191	77%
Actual	2015	\$ 1,426,177	\$ 2,137,283	\$ 712,500	\$ 1,394	\$ 93,585	67%
Actual	2016	\$ 1,381,911	\$ 2,037,598	\$ 662,500	\$ 6,813	\$ 100,398	68%
Actual	2017	\$ 1,791,461	\$ 2,472,364	\$ 700,000	\$ 19,097	\$ 119,495	72%
Actual	2018	\$ 1,488,396	\$ 2,242,360	\$ 700,000	\$ (53,964)	\$ 65,531	66%
Actual	2019	\$ 1,667,695	\$ 2,419,250	\$ 725,000	\$ (26,555)	\$ 38,976	69%
Actual	2020	\$ 1,694,161	\$ 2,527,544	\$ 1,030,399	\$ 197,016	\$ 235,992	67%
Actual	2021	\$ 2,166,455	\$ 3,390,013	\$ 1,053,252	\$ (170,306)	\$ 65,686	64%
Actual	2022	\$ 2,333,194	\$ 3,005,968	\$ 875,000	\$ 202,226	\$ 267,912	78%
Actual	2023	\$ 2,510,653	\$ 3,590,761	\$ 930,000	\$ (150,108)	\$ 117,804	70%
Actual	2024	\$ 2,572,590	\$ 3,906,047	\$ 1,055,500	\$ (277,957)	\$ (160,153)	66%
Budget	2025	\$ 2,852,000	\$ 4,310,100	\$ 1,448,800	\$ (9,300)	\$ (169,453)	
Potential Additional	2025		\$ 750,000			\$ (919,453)	56%

This information is presented graphically below for years 2015-25:



### Fiscal Year 2025 Financial Concerns

The major issue for 2025 is the need to order lift maintenance parts and services in FY 2025 to ensure those parts are ready for the summer maintenance season. Major jobs this summer will be the rebuilding of the Hooter and Ptarmigan gear boxes and Black Bear lower terminal work. In addition, Eaglecrest will need to contract for lift maintenance assistance as the lift maintenance positions are staffed and trained. Cost estimates for all this work are being developed while at the same time the limited staff is working to get the mountain open.

From a budgeting perspective, allocating an estimated \$750,000 for summer maintenance work would be prudent.

### Fiscal Year 2026 Financial Concerns

#### Pay Plan

When Eaglecrest was first conceived, the pay plan was to pay ski area employees similar wages to what they would receive working down south adjusted for cost of living in Juneau, so the concept was to have a separate pay plan from the CBJ. However, under this separate pay plan Eaglecrest has not kept up with paying its employees wages that, considering current economic conditions, enable successful recruitment and retention. In 2024, the Assembly approved a 6% wage increase across all Eaglecrest positions, which was a step in the right direction but still does not achieve parity with comparable ski areas or the CBJ wage grid. A new pay plan is suggested and attached to this document. The plan will

need to be reviewed by the CBJ Human Resources and the Eaglecrest Board. Evaluating how Eaglecrest positions would fit into the CBJ wage grid would be a significant project for CBJ staff. This project is further complicated by the prospect of summer operations and has not been directed by the Assembly.

However, the proposed pay plan comes fairly close and can certainly be modified. If the plan was to be implemented in 2026, costs would increase by \$778,000, including all funded and unfunded positions. CBJ may choose to do this incrementally while attempting to balance recruitment challenges and budget considerations.

As proposed in the attached spreadsheet, the positions on the lower end of the wage grid see bigger increases than those positions toward the top of the grid. Lift operators (range 104) go from \$13.66 per hour to \$20.17 (an increase of 47%), the lift supervisor (range 110) goes of \$22.28 to \$30.32 (an increase of 36%) while the director of mountain operations (a range 112) goes from \$37.37 to \$43.76 (an increase of 17%). This plan brings a more comparative pay scale to Eaglecrest and should fundamentality change the employee landscape at the mountain. Eaglecrest employees are excluded from PERS with the exception of year-round staff. Health and wellness would not be paid to employees until the 1560-hour threshold is met.

### Materials and Commodities

The summer of 2026 will be another year of intensive lift maintenance, though no cost numbers have yet been developed. It is envisioned that at the end of the summer maintenance season Eaglecrest should be back in a well-grounded lift maintenance program with a trained staff capable of handling the workload. This report includes a placeholder materials and commodities increase for 2026 is \$875,000. This is subject to approval by the EC board and would be part of the FY26 budget process.

### Equipment Replacement

The equipment replacement reserve was created to set aside funds each year and build up a reserve for major purchases. Eaglecrest currently has an equipment replacement schedule similar to the fleet schedules maintained by other CBJ departments, but it has been chronically underfunded for over a decade. The annual equipment replacement reserve contribution has been set at \$100,000 since 2004. This should be budgeted to increase to an amount adequate to fund snow cat purchases, replacement for snow removal equipment and utility pickup trucks. An estimate is \$200,000 per year. This is subject to approval by the EC board and would be part of the FY26 budget process. Related to this subject, Eaglecrest would likely benefit from a more robust asset management program.

### Guest Survey to Clarify Revenue Potential

In order to maintain a 70% cost recovery, Eaglecrest will need to increase prices to cover costs.

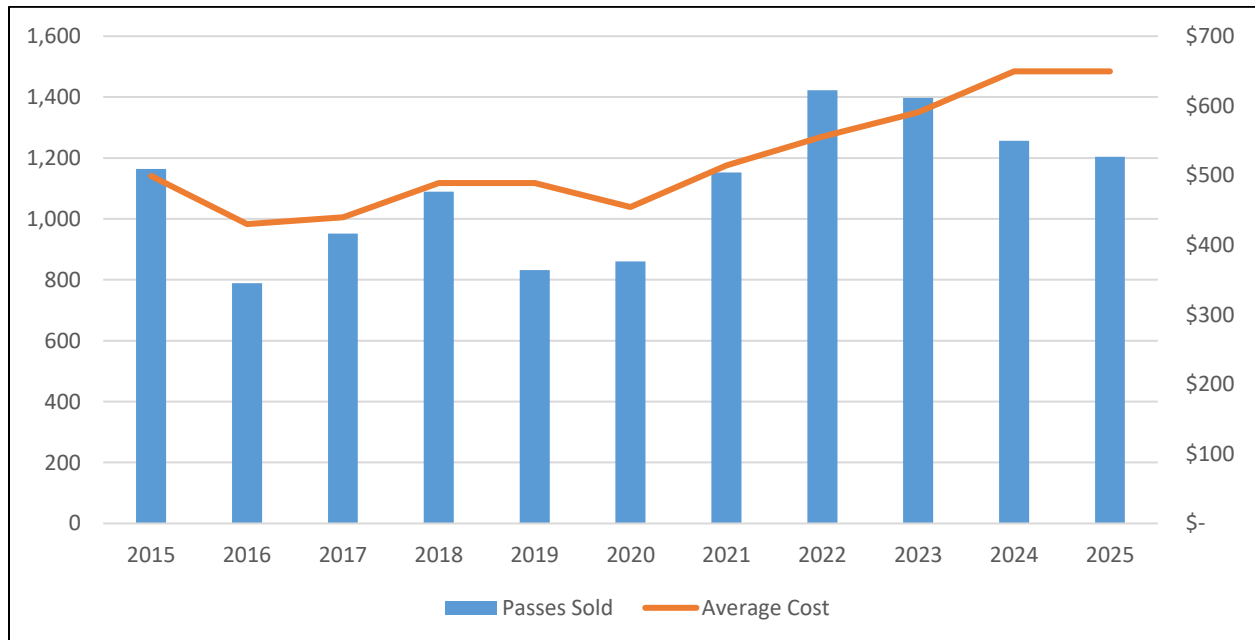
Sampling various ski areas that are located near Juneau or are similar sized operation, it will be noted that season pass and day ticket (the vast majority of total ski area revenue) pricing vary widely.

	Adult Season Pass	Weekend Adult Day Ticket
Eaglecrest	\$ 630	\$ 75
Mt Baker	\$ 1,047	\$ 94
Mt Sima	\$ 579	\$ 68
Alyeska	\$ 1,549	\$ 159
Skeetawk	\$ 499	\$ 44
Mt Spokane	\$ 849	\$ 80
49 Degrees North	\$ 859	\$ 79
Red Mountain	\$ 1,299	\$ 174
Ski Bluewood	\$ 599	\$ 66
Sugar Bowl	\$ 1,399	\$ 162
Schweitzer	\$ 1,399	\$ 130

It is recommended a guest survey be conducted to ask what Juneau residents would be willing to pay to keep a high level of service at Eaglecrest and conversely what they would be willing to give up maintaining pricing at current levels. Eaglecrest did not hit its budgeted revenue for FY24. The approved budget shows a \$130,000 revenue increase for FY25 over the FY24 budget. The below table shows a budget-to-budget comparison for FY24 and 25.

	FY23 Actuals	FY24 Amended Budget	FY24 Projected Actuals	FY25 Adopted Budget	FY26 Approved Budget		
<b>EXPENDITURES</b>							
Personnel Services	\$ 1,993,700	2,111,500	2,155,400	2,382,900	2,450,400		
Commodities and Services	1,592,000	1,764,100	1,684,600	1,927,200	1,980,800		
Support to:							
Pandemic Response Fund	-	-	-	-	-		
<b>Total Expenditures</b>	<b>3,585,700</b>	<b>3,875,600</b>	<b>3,840,000</b>	<b>4,310,100</b>	<b>4,431,200</b>		
						FY 24/FY 24 Projected Actuals	FY 24/FY 25 Budget to Budget
<b>FUNDING SOURCES</b>							
Charges for Services	1,759,000	1,895,000	1,860,000	1,957,000	2,048,000	(35,000)	(62,000)
Licenses, Permits, and Fees	276,200	394,000	329,000	398,000	448,000	(65,000)	(69,000)
Sales	73,100	63,000	76,400	81,400	81,400	(100,000)	(131,000)
Rentals and Leases	281,700	300,600	310,600	315,600	325,600		
Donations and Contributions	100,400	100,000	100,000	100,000	100,000		
Support from:							
Roaded Service Area	50,000	50,000	50,000	50,000	50,000		
General Fund	880,000	1,005,500	1,005,500	1,398,800	880,000		
<b>Total Funding Sources</b>	<b>3,420,400</b>	<b>3,808,100</b>	<b>3,731,500</b>	<b>4,300,800</b>	<b>3,933,000</b>		

The below graph shows the relationship between season pass prices and pass sales from 2015 to 2025.



## Biweekly Financial Reports

Eaglecrest is a highly weather dependent business operation with constantly changing financial landscape. As with any business, it is important to know where the business is financially every two weeks (which matches the payroll cycle). The critical components are sales and labor costs. While other operational expenses are important to manage, knowing where the sales and labor costs are will determine the success of the business.

The Eaglecrest finance committee should meet monthly to review the reports. Staff and management should agree to the format. The reports should be sent every two weeks to the board and discussed at the monthly meeting. This financial report cannot be time-consuming to put together. A suggested format is presented below.

	FY 24		FY 25	
	12/4/2023	Year to	12/2/2024	Year to
	12/17/2024	Date Sales	12/15/2024	Date Sales
Revenue				
Season Pass Sales				
Lift Ticket Sales				
Advance Ticket Sales				
Locker Rentals				
Rental				
Retail				
Repair				
Food and Beverage				
Snow Sports School				
Lodge Rentals				
Bus Fees				
Misc Revenue				
Payroll Expenses				
Administration				
Ski Patrol				
Lift Operations				
Mountain Maintenance				
Base Operations				
Snow Sports School				
Food Service				
Ski Rental Shop				
Marketing				
Total Income				

## Decreased costs – Hard Look at Staffing

Following on the conversation about looking at costs on a timely basis, it appears that personnel service has increased by 45% in 11 years. More research needs to be done to determine the actual FTEs and whether the year-round staffing increase also represents a net increase in FTEs. This is currently unclear because the Eaglecrest budget in recent years has contained budgeted positions that have been transferred to the Capital Improvement Program budget. This practice will not continue going forward.

Total Personnel Services			
FY 23	\$	1,993,700	
FY 12	\$	1,371,700	
	\$	622,000	45.3%

FY 12		FY 25
FTE		FTE
1.00	General Manager	1.00
1.00	Director of Mt Operations	1.00
1.00	Director of Base Operations	1.00
1.00	Lift Supervisor/Mechanic	1.00
1.00	Vehicle Mechanic	1.00
0.50	Director Snow Safety	1.00
0.75	Director of Snow Sports School	1.00
6.25		
	Lift Mechanic	1.00
	Custodian	1.00
	Snow Sports Outreach Manager	1.00
	Ski Shop Supervisor	1.00
	Marketing and Events Manager	1.00
		12.00

Total budgeted full-time staff has increased from 6.25 positions to 12 positions.

In addition, ski patrol wages from 2012 to 2023 have nearly doubled and the number of hours worked has increased by 63%.

Fiscal Year 2012					
Total Ski Patrol Wages	\$	108,082			
Total Ski Patrol Hours		6500	\$	16.63	Average Hourly Wage
Fiscal Year 2023					
Total Ski Patrol Wages	\$	206,523			
Total Ski Patrol Hours		10611	\$	19.46	Average Hourly Wage

Given that payroll is Eaglecrest’s biggest controllable expense, there needs to be a hard look at these positions and overall FTEs to answer the question; can the ski area afford all these services and at these levels, and are the right positions being funded?

### Donation Revenue

Each year, the Eaglecrest Foundation receives about \$100,000 from the Juneau Community Foundation’s Eaglecrest Operating Endowment. Over the past several years this money has been used largely to supplant CBJ funds for Eaglecrest, instead of being used as originally intended. This money was originally intended to assist the Eaglecrest Foundation in creating a “rainy day” fund that could be used when needed to address short-term, unbudgeted needs (that might result from a low-snow year, for example). Eaglecrest has not accounted for which specific budget items are funded by this extra revenue, however, as mentioned above, Eaglecrest has increased year-round staffing over the past several years.

## Potential Increased Funding Needs in FY 2026

The potential increase in funding in FY26 is detailed below:

FY2025/2026 Adopted Budget					
Department Budget Presentations					
Eaglecrest					
	FY25	FY 25		FY26	FY 26
	Adopted	Potential		Approved	Potential
	Budget	Change		Budget	Change
<b>EXPENDITURES</b>					
Personnel Services	\$ 2,382,900	\$ 2,382,900		\$ 2,450,400	\$ 3,250,400
Commodities and Services	\$ 1,927,200	\$ 2,677,200		\$ 1,980,800	\$ 2,855,800
	\$ -			\$ -	
<b>Total Expenditures</b>	<b>\$ 4,310,100</b>	<b>\$ 5,060,100</b>		<b>\$ 4,431,200</b>	<b>\$ 6,106,200</b>
<b>FUNDING SOURCES</b>					
Charges for Services	\$ 1,957,000	\$ 1,957,000		\$ 2,048,000	\$ 2,048,000
Licenses, Permits, and Fees	\$ 398,000	\$ 398,000		\$ 448,000	\$ 448,000
Sales	\$ 81,400	\$ 81,400		\$ 81,400	\$ 81,400
Rentals and Leases	\$ 315,600	\$ 315,600		\$ 325,600	\$ 325,600
Donations and Contributions	\$ 100,000	\$ 100,000		\$ 100,000	\$ 100,000
Support from:					
Roaded Service Area	\$ 50,000	\$ 50,000		\$ 50,000	\$ 50,000
General Fund	\$ 1,398,800	\$ 1,398,800		\$ 880,000	\$ 880,000
<b>Total Funding Sources</b>	<b>\$ 4,300,800</b>	<b>\$ 4,300,800</b>		<b>\$ 3,933,000</b>	<b>\$ 3,933,000</b>
<b>Inventory Reserve</b>					
Beginning Reserve Balance	\$ 253,900	\$ 253,900		\$ 253,900	\$ 253,900
Increase (Decrease) in Reserve					
<b>End of Period Reserve</b>	<b>\$ 253,900</b>	<b>\$ 253,900</b>		<b>\$ 253,900</b>	<b>\$ 253,900</b>
<b>Available Fund Balance</b>					
Beginning of Period	\$ (244,600)	\$ (244,600)		\$ (253,900)	\$ (750,000)
Increase (Decrease) in Fund Balance	\$ (9,300)	\$ (759,300)		\$ (498,200)	\$ (2,173,200)
<b>End of Period Available</b>	<b>\$ (253,900)</b>	<b>\$ (1,003,900)</b>		<b>\$ (752,100)</b>	<b>\$ (2,923,200)</b>
<b>Combined End of Period Fund Balance</b>	<b>\$ -</b>	<b>\$ (750,000)</b>	<b>\$ -</b>	<b>\$ (498,200)</b>	<b>\$ (2,669,300)</b>
<b>Staffing</b>	33.99			33.99	

In summary:

Personnel services	\$ 800,000
Materials and Commodities	\$ 875,000
Potential total FY 2026 need	\$1,675,000

## Fund Balance Projection

Assuming that the Assembly does not provide additional general fund support to Eaglecrest in FY26 (as presented in the current FY 2026 budget) and will increase 3% annually going forward from FY 2026, and assuming a 5% increase in both revenues and expenses annually, with general fund support ceasing in 2031, the financial situation would be as follows. This assumes that Eaglecrest runs a cumulative negative fund balance of approximately \$48 million for winter operations, this is offset by the revenue from the Gondola. How the gondola factors into this scenario is detailed in the next section.

	Winter Operations			General Fund Support	Operational Result	Fund Balance	Cost Recovery
	Fiscal Year	Revenues	Expenses				
Projected	2026	\$ 3,003,000	\$ 6,084,200	\$ 930,000	\$ (2,151,200)	\$ (3,070,653)	49%
Projected	2027	\$ 3,153,150	\$ 5,084,200	\$ 957,900	\$ (973,150)	\$ (4,043,803)	62%
Projected	2028	\$ 3,310,808	\$ 5,338,410	\$ 986,637	\$ (1,040,966)	\$ (5,084,769)	62%
Projected	2029	\$ 3,476,348	\$ 5,605,331	\$ 1,016,236	\$ (1,112,747)	\$ (6,197,515)	62%
Projected	2030	\$ 3,650,165	\$ 5,885,597	\$ 1,046,723	\$ (1,188,709)	\$ (7,386,224)	62%
Projected	2031	\$ 3,832,674	\$ 6,179,877	\$ 1,078,125	\$ (1,269,078)	\$ (8,655,302)	62%
Projected	2032	\$ 4,024,307	\$ 6,488,871		\$ (2,464,564)	\$ (11,119,866)	62%
Projected	2033	\$ 4,225,523	\$ 6,813,314		\$ (2,587,792)	\$ (13,707,657)	62%
Projected	2034	\$ 4,436,799	\$ 7,153,980		\$ (2,717,181)	\$ (16,424,839)	62%
Projected	2035	\$ 4,658,639	\$ 7,511,679		\$ (2,853,040)	\$ (19,277,879)	62%
Projected	2036	\$ 4,891,571	\$ 7,887,263		\$ (2,995,692)	\$ (22,273,571)	62%
Projected	2037	\$ 5,136,149	\$ 8,281,626		\$ (3,145,477)	\$ (25,419,048)	62%
Projected	2038	\$ 5,392,957	\$ 8,695,707		\$ (3,302,751)	\$ (28,721,799)	62%
Projected	2039	\$ 5,662,604	\$ 9,130,493		\$ (3,467,888)	\$ (32,189,687)	62%
Projected	2040	\$ 5,945,735	\$ 9,587,017		\$ (3,641,283)	\$ (35,830,970)	62%
Projected	2041	\$ 6,243,021	\$ 10,066,368		\$ (3,823,347)	\$ (39,654,317)	62%
Projected	2042	\$ 6,555,172	\$ 10,569,687		\$ (4,014,514)	\$ (43,668,831)	62%
Projected	2043	\$ 6,882,931	\$ 11,098,171		\$ (4,215,240)	\$ (47,884,071)	62%

In summary, potential solutions for the financial needs at Eaglecrest include:

- Increased general fund support (problematic given all the other CBJ needs)
- Increased negative fund balance, which amounts to an interest-free GF loan (to be paid down when the gondola comes online)
- Work with the Eaglecrest Foundation for fund raising
- Increased user fees
- Reducing some expenses

This report is intended to address the financial aspects of the gondola once it is up and operating. The construction budget and timeline are being developed outside of this report.

With expectations about the gondola very high, a few points should be considered before discussing its financial details.

Prior to considering summer operation of the gondola, it needs to be stated that operating the gondola in the winter is not likely to increase revenue by a significant amount as most people riding the gondola



will be using a season pass, a pass they may have purchased with or without the gondola being in operation. A special gondola pass could be offered in addition to a season pass and if an adequate number of people purchase that pass, the gondola could operate on whatever schedule the board and staff determine is appropriate. By selling this gondola pass it would potentially limit the riders to those skilled enough to handle the increased and more challenging terrain (keeping inexperienced users from accessing this more difficult terrain).

Winter expenses will increase with the gondola due to increased avalanche control work, new gondola operator positions, and increased annual maintenance costs. Nordic considerations of the Cropley Flats area accessed by the gondola mid station will also need to be part of the discussion. No recommendation at this time, however consideration of this issue is suggested.

In terms of summer operations, the expenses are relatively fixed regardless of how many visitors ride the gondola on a daily basis. The suggested budget (presented below) calls for a full-time gondola manager who reports to the general manager. Too many ski operations struggle with year-round operations as they try to “fit” winter personnel into summer operating roles which often leads to neither winter nor summer operations being as successful as the operations could be due to lack of focus on both seasons. This full-time gondola manager will focus on all things gondola allowing the winter staff to focus on winter operations.

In addition, two gondola mechanics will be needed to service the lift during both winter and summer to provide necessary ongoing maintenance. Seasonally, there will be one lift operator with five lift attendants and four employees available for lift evacuation if needed (who could be used as summer guides near the top terminal). One ticket window person and one full time facility maintenance person would be needed. For context, Goldbelt has 14 full-time, year-round staff for the tram.

The proposed budget assumes that all of the summer employees will receive Health and Wellness benefits as they will probably work both summer and winter reaching the 1560-hour threshold. PERS payment is also factored in as it is more rational to plan on higher costs than assuming lower costs.

For this document’s purpose, it is assumed that the gondola will operate June 1<sup>st</sup> through September 15<sup>th</sup> with 5 days on either side of the operating season to train staff and close operations. More days can be added to the operating calendar, however, transitioning from winter to summer operations must be kept in mind. The suggestion of a winter gondola pass above is designed to facilitate revenue neutral winter operations. A list of summer gondola operating assumptions is attached to this document.

The suggested labor budget is presented below:



Total annual estimated costs will be \$1,181,765 for payroll and \$878,872 in other expenses for a total of \$2,060,637. The budget assumes an annual 5% increase in both payroll and fixed costs again with the assumptions that it best to potentially overestimate expenses.

There are three revenue pricing models presented

	Net to Eaglecrest	Potential Sales Price on Board the Cruise Ships
Aggressive	\$85 per visit	\$171.50
Moderate	\$65 per visit	\$145.00
Conservative	\$45 per visit	\$118.00

Please keep in mind that the per visit rates are net amounts to Eaglecrest. In order to sell on the cruise ships, the cruise lines take an average of a 30% commission, Goldbelt has stated they will charge \$35 per person for bus transportation. Goldbelt estimates that when the gondola comes online, they will be able to sell the complete mountain gondola tour with bus ride with a potential stop at the North Douglas boat launch for \$171.50 on the ships. They also project that 55,000 (~3% of cruise visitors) in the second year of operation is reasonable with total ridership growing to 125,000 visits by 2043 (~7% of cruise visitors assuming no significant increase in visitation). This information is based on projections made by our partner, Goldbelt. CBJ has not seen any business case analyses conducted to support these projections.

These estimates can be validated through a cruise ship passenger demand studies to forecast how many passengers will ride the gondola and how much they would be willing to pay. A careful market demand and revenue forecast would include the following: a passenger survey to gauge interest in a gondola excursion and willingness-to-pay; an analysis of the tour product market under the current daily limits; and interviews with on-board tour sales managers to gain their opinions about demand and pricing for a gondola excursion. Market research encompassing some or all of these tasks would reduce the uncertainty about the gondola’s summertime revenue generating potential. This information would provide some surety to all parties and should be shared by Goldbelt or commissioned by either or both parties.

To illustrate the bottom-line results of the three revenue models, the following net income (sales minus all expenses) projection for FY 25 to FY 43 is based on the assumption that the gondola attracts the anticipated ridership.

	Model		
	Aggressive: \$85 net/ticket	Moderate: \$65 net/ticket	Conservative: \$45 net/ticket
Net profit FY25-43	\$109,233,436	\$97,938,308	\$58,081,919

Year over year projections are detailed below:

<b>Aggressive Pricing - \$85 Revenue per Visit (R.P.V.)</b>																
	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43
Ridership	39732	55250	65000	85000	95000	115000	125000	125000	125000	125000	125000	125000	125000	125000	125000	125000
R.P.V.	\$ 85.00	\$ 85.00	\$ 85.00	\$ 85.00	\$ 95.00	\$ 95.00	\$ 95.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 125.00	\$ 125.00	\$ 125.00
Total Revenue	\$ 3,377,220	\$ 4,696,250	\$ 5,525,000	\$ 7,225,000	\$ 9,025,000	\$ 10,925,000	\$ 11,875,000	\$ 13,125,000	\$ 13,125,000	\$ 13,125,000	\$ 14,375,000	\$ 14,375,000	\$ 14,375,000	\$ 15,625,000	\$ 15,625,000	\$ 15,625,000
Revenue Share	\$ 337,722	\$ 470,688	\$ 595,000	\$ 977,500	\$ 1,330,000	\$ 1,805,000	\$ 2,042,500	\$ 2,257,500	\$ 1,786,173	\$ 1,981,250	\$ 2,068,750	\$ 2,068,750	\$ 2,068,750	\$ 2,156,250	\$ 2,156,250	\$ 2,156,250
Operating Costs	\$ 2,061,323	\$ 2,061,323	\$ 2,164,389	\$ 2,272,608	\$ 2,386,238	\$ 2,505,550	\$ 2,630,828	\$ 2,762,369	\$ 2,900,488	\$ 3,045,512	\$ 3,197,788	\$ 3,357,677	\$ 3,525,561	\$ 3,701,839	\$ 3,886,931	\$ 4,081,278
Net Income	\$ 978,175	\$ 2,164,240	\$ 2,765,611	\$ 3,974,892	\$ 5,308,762	\$ 6,614,450	\$ 7,201,672	\$ 8,105,131	\$ 8,438,339	\$ 8,098,238	\$ 9,108,462	\$ 8,948,573	\$ 8,780,689	\$ 9,766,911	\$ 9,581,819	\$ 9,387,472
																<b>\$109,223,436</b>
<b>Moderate Pricing - \$65 Revenue per Visit (R.P.V.)</b>																
	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43
Ridership	39732	55250	65000	85000	95000	115000	115000	115000	121500	125000	125000	125000	125000	125000	125000	125000
R.P.V.	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00	\$ 85.00	\$ 85.00	\$ 85.00	\$ 95.00	\$ 95.00	\$ 105.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 125.00	\$ 125.00	\$ 125.00
Total Revenue	\$ 2,582,580	\$ 3,591,250	\$ 4,225,000	\$ 5,525,000	\$ 8,075,000	\$ 9,775,000	\$ 9,775,000	\$ 10,925,000	\$ 11,542,500	\$ 13,125,000	\$ 14,375,000	\$ 14,375,000	\$ 14,375,000	\$ 15,625,000	\$ 15,625,000	\$ 15,625,000
Revenue Share	\$ 258,258	\$ 359,938	\$ 455,000	\$ 747,500	\$ 1,190,000	\$ 1,615,000	\$ 1,615,000	\$ 1,805,000	\$ 1,959,375	\$ 1,981,250	\$ 2,068,750	\$ 2,068,750	\$ 2,068,750	\$ 2,156,250	\$ 2,156,250	\$ 2,156,250
Operating Costs	\$ 2,061,323	\$ 2,061,323	\$ 2,164,389	\$ 2,272,608	\$ 2,386,238	\$ 2,505,550	\$ 2,630,828	\$ 2,762,369	\$ 2,900,488	\$ 3,045,512	\$ 3,197,788	\$ 3,357,677	\$ 3,525,561	\$ 3,701,839	\$ 3,886,931	\$ 4,081,278
Net Income	\$ 262,999	\$ 1,169,990	\$ 1,605,611	\$ 2,504,892	\$ 4,498,762	\$ 5,654,450	\$ 5,529,172	\$ 6,357,631	\$ 6,682,637	\$ 8,098,238	\$ 9,108,462	\$ 8,948,573	\$ 8,780,689	\$ 9,766,911	\$ 9,581,819	\$ 9,387,472
																<b>\$ 97,938,308</b>
<b>Conservative Pricing - \$45 Revenue per Visit (R.P.V.)</b>																
	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43
Ridership	39732	55250	65000	85000	95000	115000	115000	115000	115000	115000	121650	125000	125000	125000	125000	125000
R.P.V.	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 65.00	\$ 75.00	\$ 85.00	\$ 95.00	\$ 115.00	\$ 115.00	\$ 125.00	\$ 125.00
Total Revenue	\$ 1,787,940	\$ 2,486,250	\$ 2,925,000	\$ 3,825,000	\$ 4,275,000	\$ 5,175,000	\$ 5,175,000	\$ 5,175,000	\$ 7,475,000	\$ 8,625,000	\$ 10,340,250	\$ 11,875,000	\$ 14,375,000	\$ 14,375,000	\$ 15,625,000	\$ 15,625,000
Revenue Share	\$ 178,794	\$ 249,188	\$ 315,000	\$ 517,500	\$ 630,000	\$ 855,000	\$ 855,000	\$ 855,000	\$ 1,235,000	\$ 1,990,000	\$ 2,322,838	\$ 2,582,500	\$ 2,902,500	\$ 2,902,500	\$ 3,062,500	\$ 3,062,500
Operating Costs	\$ 2,061,323	\$ 2,061,323	\$ 2,164,389	\$ 2,272,608	\$ 2,386,238	\$ 2,505,550	\$ 2,630,828	\$ 2,762,369	\$ 2,900,488	\$ 3,045,512	\$ 3,197,788	\$ 3,357,677	\$ 3,525,561	\$ 3,701,839	\$ 3,886,931	\$ 4,081,278
Net Income	\$ (452,177)	\$ 175,740	\$ 445,611	\$ 1,034,892	\$ 1,258,762	\$ 1,814,450	\$ 1,689,172	\$ 1,557,631	\$ 3,339,512	\$ 3,589,488	\$ 4,819,625	\$ 5,934,823	\$ 7,946,939	\$ 7,770,661	\$ 8,675,569	\$ 8,481,222
																<b>\$ 58,081,919</b>

It is important to note that these values are cumulative totals, over a 15-year period from FY2028 through FY2043, that have not been adjusted for inflation or the uncertainty of future cashflows. Discounting future cashflows at a prescribed interest rate provides such an adjustment. For example, at a 7% discount rate, the net profit/income to Eaglecrest is \$56.6 million in the \$85 per rider scenario, \$48.7 million at \$65 per rider, and \$25.8 million at \$45 per rider

In the conclusion, the combined winter costs and summer income will be discussed.

## Conclusion

it is possible to see the summer operations supporting the winter operation if cruise ship visitation stays at or above current levels and if the Assembly and ultimately the community support substantial summer cruise ship passenger visitation to the ski area.

Given that general fund support could end in 2032, based on revenue and expense figures, Eaglecrest could have somewhere between \$10 and \$61 million to reinvest in the mountain between 2026 and 2043 while keeping the ski area financially viable. The wide range in potential funds for reinvestment is based on the range of projections from the conservative to aggressive pricing models. Some of that reinvestment may be required for mountain top gondola facilities. The table below shows the total funds available for Eaglecrest to invest in infrastructure under each of the three pricing models.

Net Income Scenarios		Aggressive		Moderate		Conservative	
		Gondola	Fund	Gondola	Fund	Gondola	Fund
	Winter	Pricing	Balance	Pricing	Balance	Pricing	Balance
	Operating	Model	No Capital	Model	No Capital	Model	No Capital
	Deficit	Income	Investment	Income	Investment	Income	Investment
	\$ (919,453)		\$ (919,453)		\$ (919,453)		\$ (919,453)
2026	\$ (2,151,200)		\$ (3,070,653)		\$ (3,070,653)		\$ (3,070,653)
2027	\$ (973,150)		\$ (4,043,803)		\$ (4,043,803)		\$ (4,043,803)
2028	\$ (1,040,966)	\$ 978,175	\$ (4,106,593)	\$ 262,999	\$ (4,821,769)	\$ (452,177)	\$ (5,536,945)
2029	\$ (1,112,747)	\$ 2,164,240	\$ (3,055,100)	\$ 1,169,990	\$ (4,764,526)	\$ 175,740	\$ (6,473,952)
2030	\$ (1,188,709)	\$ 2,765,611	\$ (1,478,197)	\$ 1,605,611	\$ (4,347,623)	\$ 445,611	\$ (7,217,049)
2031	\$ (1,269,078)	\$ 3,974,892	\$ 1,227,617	\$ 2,504,892	\$ (3,111,809)	\$ 1,034,892	\$ (7,451,235)
2032	\$ (2,464,564)	\$ 5,308,762	\$ 4,071,815	\$ 4,498,762	\$ (1,077,611)	\$ 1,258,762	\$ (8,657,037)
2033	\$ (2,587,792)	\$ 6,614,450	\$ 8,098,473	\$ 5,654,450	\$ 1,989,047	\$ 1,814,450	\$ (9,430,379)
2034	\$ (2,717,181)	\$ 7,201,672	\$ 12,582,963	\$ 5,529,172	\$ 4,801,037	\$ 1,689,172	\$ (10,458,389)
2035	\$ (2,853,040)	\$ 8,105,131	\$ 17,835,054	\$ 6,357,631	\$ 8,305,628	\$ 1,557,631	\$ (11,753,798)
2036	\$ (2,995,692)	\$ 8,438,339	\$ 23,277,700	\$ 6,682,637	\$ 11,992,573	\$ 3,339,512	\$ (11,409,978)
2037	\$ (3,145,477)	\$ 8,098,238	\$ 28,230,461	\$ 8,098,238	\$ 16,945,333	\$ 3,589,488	\$ (10,965,968)
2038	\$ (3,302,751)	\$ 9,108,462	\$ 34,036,173	\$ 9,108,462	\$ 22,751,045	\$ 4,819,625	\$ (9,449,094)
2039	\$ (3,467,888)	\$ 8,948,573	\$ 39,516,857	\$ 8,948,573	\$ 28,231,729	\$ 5,934,823	\$ (6,982,159)
2040	\$ (3,641,283)	\$ 8,780,689	\$ 44,656,263	\$ 8,780,689	\$ 33,371,135	\$ 7,946,939	\$ (2,676,503)
2041	\$ (3,823,347)	\$ 9,766,911	\$ 50,599,827	\$ 9,766,911	\$ 39,314,699	\$ 7,770,661	\$ 1,270,811
2042	\$ (4,014,514)	\$ 9,581,819	\$ 56,167,132	\$ 9,581,819	\$ 44,882,004	\$ 8,675,569	\$ 5,931,866
2043	\$ (4,215,240)	\$ 9,387,472	\$ 61,339,364	\$ 9,387,472	\$ 50,054,237	\$ 8,481,222	\$ 10,197,848
Cumulative Total	\$ (47,884,071)	\$ 109,223,436		\$ 97,938,308		\$ 58,081,919	

The aggressive and moderate pricing models allow for major reinvestment in the mountain. A proposed schedule would have \$1M in 2032 for remodel of the Brown shop for gondola maintenance and equipment storage, \$4M in 2033 for the Ptarmigan chairlift replacement, \$5M in 2035 for lodge renovations, \$4 M in 2038 for the Hooter chairlift replacement, and \$4M in 2040 for Black Bear and Porcupine chairlift replacements. These are suggested placeholders that can be moved and adjusted as needed.

The conservative pricing model indicates \$10M available for mountain investment. A decision would need to be made on how best to spend those available funds. The table below shows how this could look under the aggressive pricing model.

Gondola Spreadsheet - Aggressive Scenario							
Combined Operations	Net Income		Net Income		Fund Balance	Capital Investment	Fund Balance After Capital Investment
	Beginning	Winter	Summer	Fund			
	Fund Balance	Total	Total	Balance			
	\$ (919,453)						
2026	\$ (2,151,200)			\$ (3,070,653)		\$ (3,070,653)	
2027	\$ (973,150)			\$ (4,043,803)		\$ (4,043,803)	
2028	\$ (1,040,966)	\$ 978,175		\$ (4,106,593)		\$ (4,106,593)	
2029	\$ (1,112,747)	\$ 2,164,240		\$ (3,055,100)		\$ (3,055,100)	
2030	\$ (1,188,709)	\$ 2,765,611		\$ (1,478,197)		\$ (1,478,197)	<b>Kirk:</b> Brown shop update
2031	\$ (1,269,078)	\$ 3,974,892		\$ 1,227,617		\$ 1,227,617	
2032	\$ (2,464,564)	\$ 5,308,762		\$ 4,071,815	\$ 1,000,000	\$ 3,071,815	<b>Kirk:</b> Ptarmigan replacement
2033	\$ (2,587,792)	\$ 6,614,450		\$ 8,098,473	\$ 4,000,000	\$ 3,098,473	
2034	\$ (2,717,181)	\$ 7,201,672		\$ 12,582,963		\$ 7,582,963	<b>Kirk:</b> Lodge addition
2035	\$ (2,853,040)	\$ 8,105,131		\$ 17,835,054	\$ 5,000,000	\$ 7,835,054	
2036	\$ (2,995,692)	\$ 8,438,339		\$ 23,277,700		\$ 13,277,700	<b>Kirk:</b> Hooter replacement
2037	\$ (3,145,477)	\$ 8,098,238		\$ 28,230,461		\$ 18,230,461	
2038	\$ (3,302,751)	\$ 9,108,462		\$ 34,036,173	\$ 4,000,000	\$ 20,036,173	
2039	\$ (3,467,888)	\$ 8,948,573		\$ 39,516,857		\$ 25,516,857	<b>Kirk:</b> Black Bear and Porcupine replacement
2040	\$ (3,641,283)	\$ 8,780,689		\$ 44,656,263	\$ 5,000,000	\$ 25,656,263	
2041	\$ (3,823,347)	\$ 9,766,911		\$ 50,599,827		\$ 31,599,827	
2042	\$ (4,014,514)	\$ 9,581,819		\$ 56,167,132	\$ -	\$ 37,167,132	
2043	\$ (4,215,240)	\$ 9,387,472		\$ 61,339,364	\$ -	\$ 42,339,364	
	\$ (46,964,618)	\$ 109,223,436			\$ 19,000,000		

It is strongly suggested that a small group comprised of CBJ staff, Eaglecrest Board members and the general public review the assumptions attached to this document.

Eaglecrest will need to look to areas where costs may be reduced, revenues increased, fund rising possibilities undertaken. Operating a ski area is a capital-intensive business. In an isolated town of 32,000 people, the ski area can only survive with governmental support without taking advantage of the summer tourism operation. Year to date facility rentals went from \$69,213 in FY 2024 to \$159,848 in FY 2025 based on the business from hosting an Eaglecrest tour for Viking Cruise Lines. There are likely other incremental revenue opportunities associated with Eaglecrest’s existing facilities.

Funding Eaglecrest for the next three to five years until the gondola operation becomes established will be a challenge for all involved.

**Governance –**

The Eaglecrest board has folks that care about Eaglecrest deeply. That being said they do not have an extensive knowledge of ski area operations. As an empowered board, the members of the board report to the Assembly and several city managers have stated that they feel reluctant to provide oversight to the board as so not to overstep the manager’s authority in regard to the Board’s authority

There are at least three options for providing effective oversight to Eaglecrest.

1. Keeping the current structure of the special revenue fund empowered board with more in-depth selection of individuals with specific knowledge to assist the board, a lawyer, an accountant, human resource expert, someone knowledgeable in food service or rental shop operations, etc. While not getting involved in day-to-day operations, these board members would understand the questions to ask the general manager to keep the mountain operating at a high level.
2. Exploring different governance structures, for example, an external party could manage Eaglecrest with oversight by an Assembly-appointed empowered board.
3. Restructure the board to serve in an advisory capacity and explore more Assembly oversight by shifting some power and authority from the board to the Assembly.

Each of these has advantages and disadvantages. A combination of options 1 and 2 would likely be best in the best interest of the ski area. Preserving an empowered board, with suitably qualified members (to the extent that such members can be recruited to serve on the board), coupled with improved oversight mechanisms and protocols for communications between the board and the ski area manager, and between the board and the city manager's office (and Assembly), will together mitigate challenges such as those that have troubled the ski area recently.

## Final Points

To summarize, this analysis indicates the following:

- Eaglecrest will need significant additional financial support over the next three to five years to catch up on lift maintenance and provide wages necessary to fill key positions and otherwise provide competitive rates of pay.
- Eaglecrest's funding needs, beyond what has already been budgeted for FY25 and FY26, are substantial but somewhat uncertain. Important next steps include 1) identifying options to reduce ski area operating costs and, 2) developing a detailed lift maintenance plan with budget, detailed timeline for procurement, and implementation schedule.
- Gondola operations, likely to commence no sooner than summer of 2027, have the potential to gradually (within a ten-year period) transition Eaglecrest to a self-supporting financial position and pay down whatever negative fund balance is accrued over the next few years.

Thank you for allowing these thoughts and please reach out if you have questions

## Attachment A:

### Gondola Assumptions

- The gondola is constructed and passes all operational/code requirements
- Expenses are overstated for budgeting purposes as it is believed to be better to overestimate expenses when developing a business plan to allow for unforeseen circumstances
- Revenues are based on Goldbelt's best estimate for ridership and revenue per rider
- Eaglecrest will receive a fixed amount per rider with the cruise lines taking an assumed 30% of the sales price for all on ship purchases, Goldbelt will receive \$35 per passenger for the bus ride to the mountain with Eaglecrest receiving the remainder.
- No revenue for retail or food and beverage sales have been included in the projections. It is assumed these services if implemented will break even or contribute to the bottom-line revenue.
- Initially, there will be no services at the top of the mountain. Portable toilets will be available serviced and paid for by Eaglecrest (contractual services budget). Seasonal signage will provide for a self-guided experience (paid out of the construction budget).
- Startup expenses such as lift mechanic training, brown shop updates for gondola serving and passenger van for access to the top of the mountain when needed as well as other related gondola costs would be paid for out of the construction budget of the gondola project
- The gondola will have a year-round manager reporting to the Eaglecrest general manager as well as two year-round mechanics. These three positions and supporting seasonal staff will be fully benefitted
- The gondola will operate July 1 to September 15 for the first season and June 1 to September 15 for normal operation after the initial season. This schedule can be expanded as desired/economically feasible. Operating hours per day are assumed to be 9 am to 7 pm. One lift operator with five lift attendants, with four employees available for lift evacuation if needed along with one ticket seller and one janitor will work a 12-hour day. Adequate staff will be hired to minimize or eliminate overtime being paid. Total payroll costs for the initial year are estimated to be \$1,181,675
- Fixed expenses are budgeted as outlined. These numbers are assumed to be high and will be refined as more information becomes known such as insurance for summer operations, electricity for the gondola, credit card fees paid by whom, etc. Total fixed costs for the initial year will be \$878,672.



- Payroll and fixed expenses are budgeted to increase at 5% per year while revenue increases are based on increased ridership and per rider ticket price increases
- Ridership will start at 40,000 riders in the initial season, growing to 55,000 in the first full year of operations. This represents 2.32% of 1.7 million cruise ships passenger in the initial season and 3.25% in the first full year of operation. Goldbelt has stated that they believe the total ridership will eventually grow to 150,000, for budgeting purposes, 125,000 annual ridership is assumed.

# **Eaglecrest Ski Area Financial Status and Outlook**

**Presented to:  
City and Borough Of Juneau Assembly  
Presented by:**

**Kirk Duncan**

**January 27, 2025**

# Introduction

## **Objective of the Report –**

Identify potential fund balance issues from the current state until the gondola comes on line as well as fund balance scenarios for combined summer and winter operations through Fiscal Year 2043

There are many assumptions made which the Eaglecrest Board will refine through the budgeting process

It is hoped that the negative fund balance impacts will be less than suggested however as with most financial projections assuming lower revenues and higher expenses has proven to be a wise practice

# Operational Result and Fund Balance, FY97 to FY24

## Operational Result –

Total Revenue, General Fund Support minus Expenses

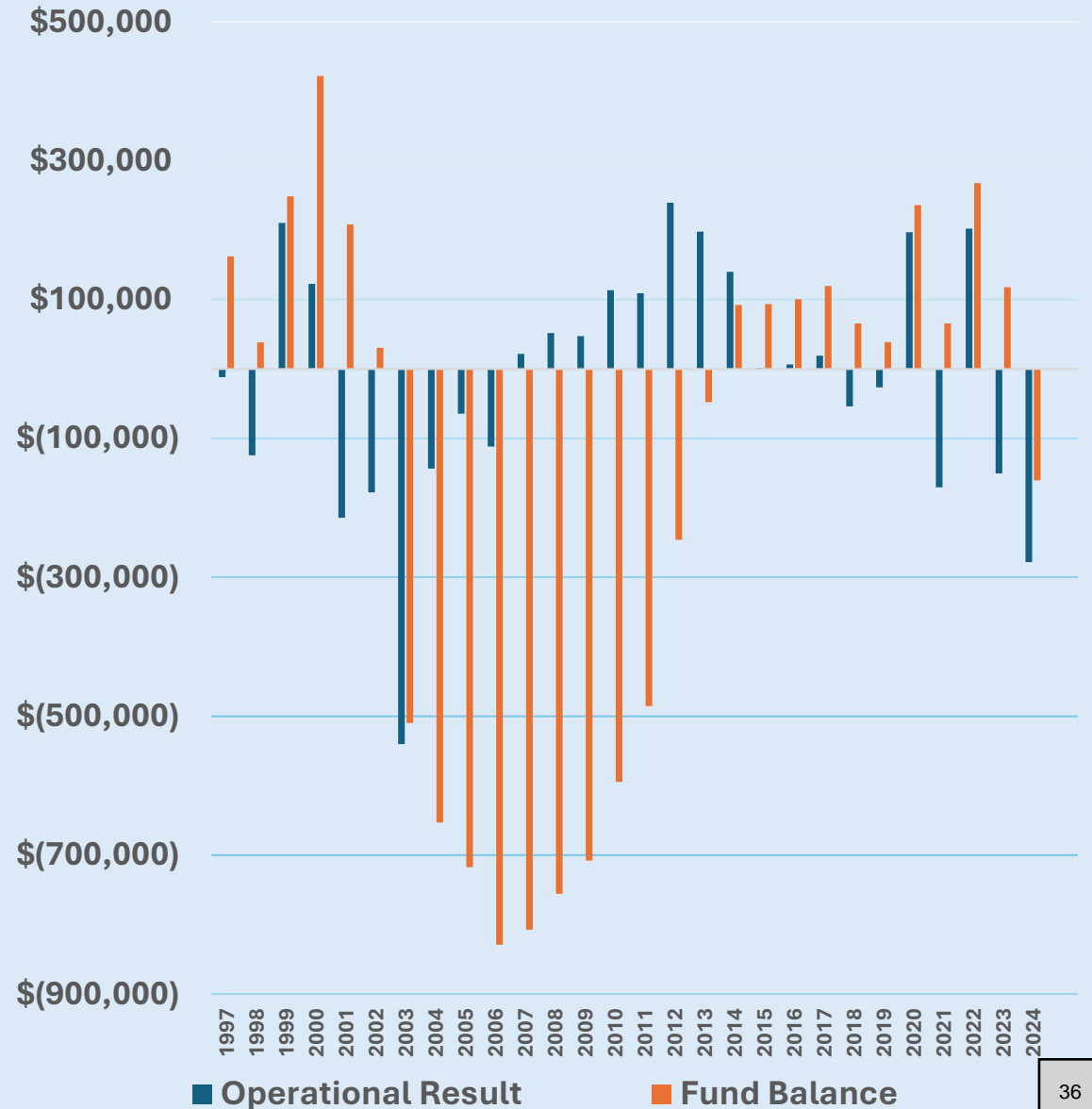
## Fund Balance History

Positive fund balance in the early 2000's

Due to a very poor snow year, the Eaglecrest Board decided to give refunds or credits to passholders

Net negative fund balance increased to over \$800,000 which was eliminated by 2014

Current fund balance is approximately -\$160,000



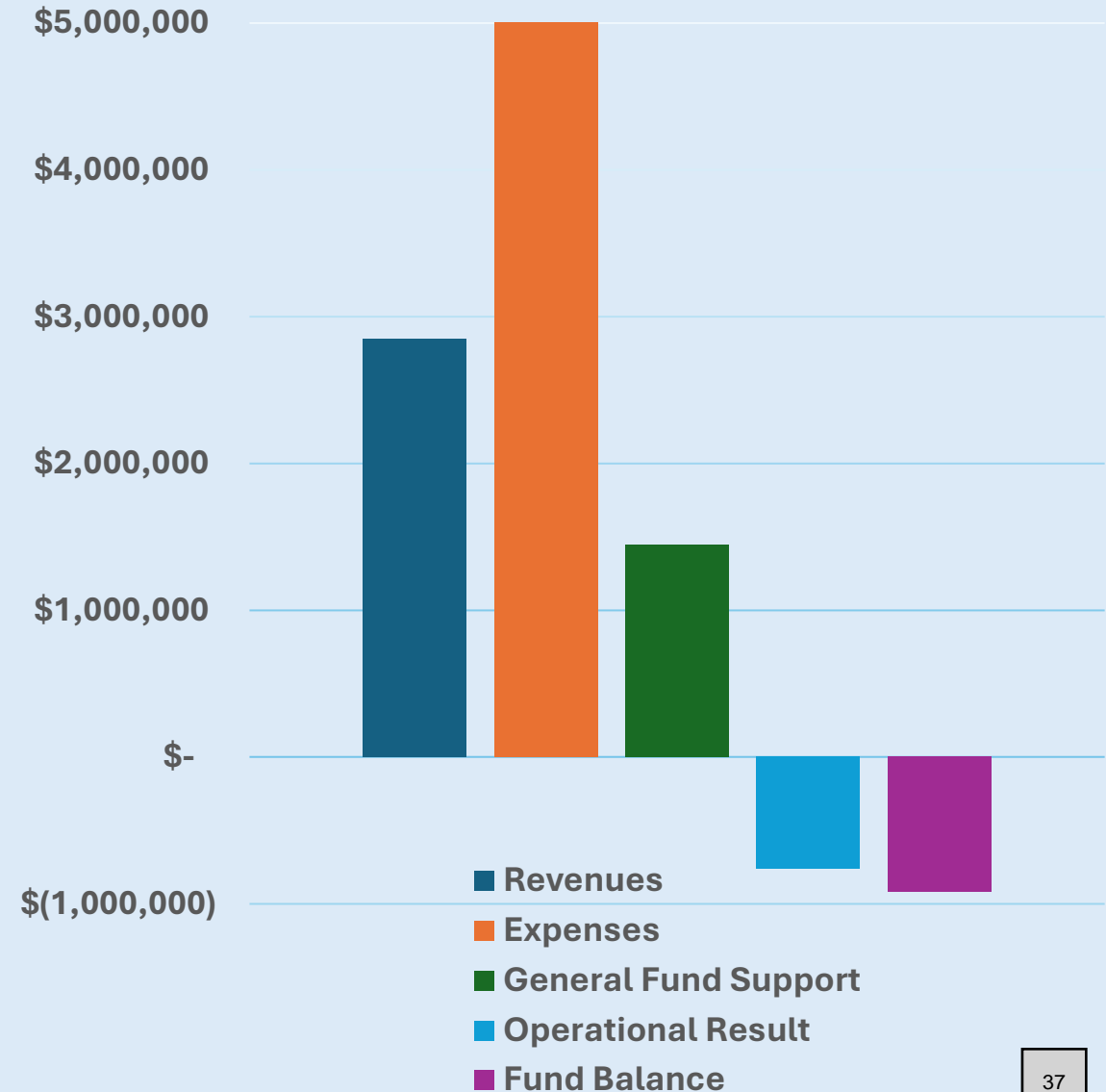
# FY25 Discussion

- Potential Increased Funding Needs

- Given unbudgeted maintenance issues and the necessity to start work in April of 2025 – an additional \$750,000 may be needed in FY 2025
- Reduced revenues due to low snowfall and other issues, additional funding may be needed

- Fund Balance

- Additional maintenance needs could bring the negative fund balance to over \$900,000 in FY 2025



# FY26 Discussion

## Potential Increased Funding Needs

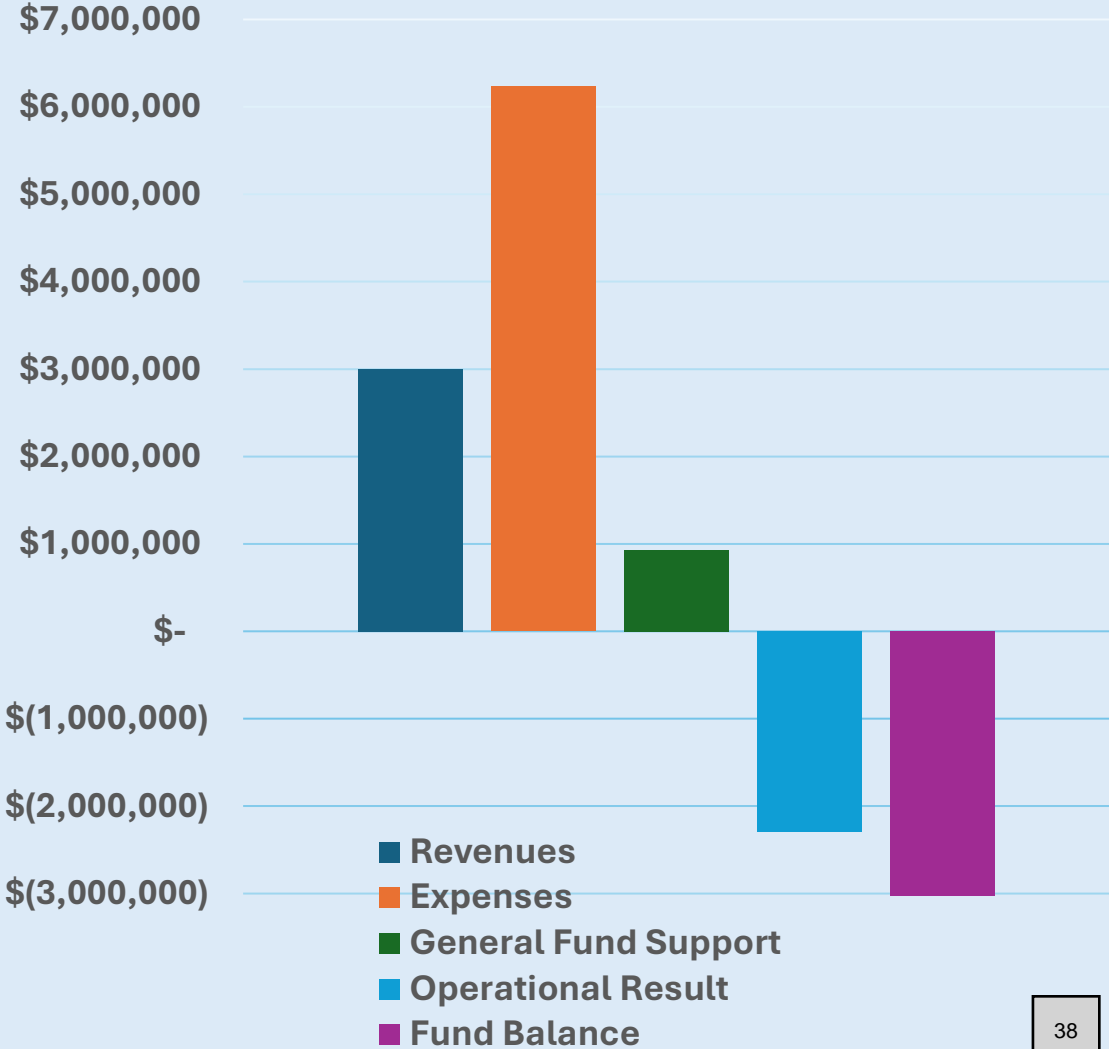
- Pay Plan Adjustments – Potentially \$800,000
- Additional Maintenance Budget – Potentially \$875,000

## Potential Funding Sources

- Increased user fees – need some research to determine price resistance
- Decreased personnel costs in conjunction with increased pay plan
- Capital Improvement Funds
- Increased negative fund balance
- Grant funding possibilities
- Other sources of funding

## Fund Balance

- Could Increase to -\$3,000,000 (reduction in General Fund Support to 2023 level)



# Adult Unlimited Passes Sold and Average Cost, FY15 to FY25 (000)

- Adult season passes hit a high during the pandemic
- Have dropped as the price has increased
- Determining the “right” pricing for services



# Current FY25 Pay Plan versus Proposed Plan

- Proposed Pay Plan Assumptions

- \$17 per hour minimum wage
- Range increase 7.5%
- Step increases 2.5%

- Impacts

- Substantial increase in the lower ranges
- Less impact on the higher ranges





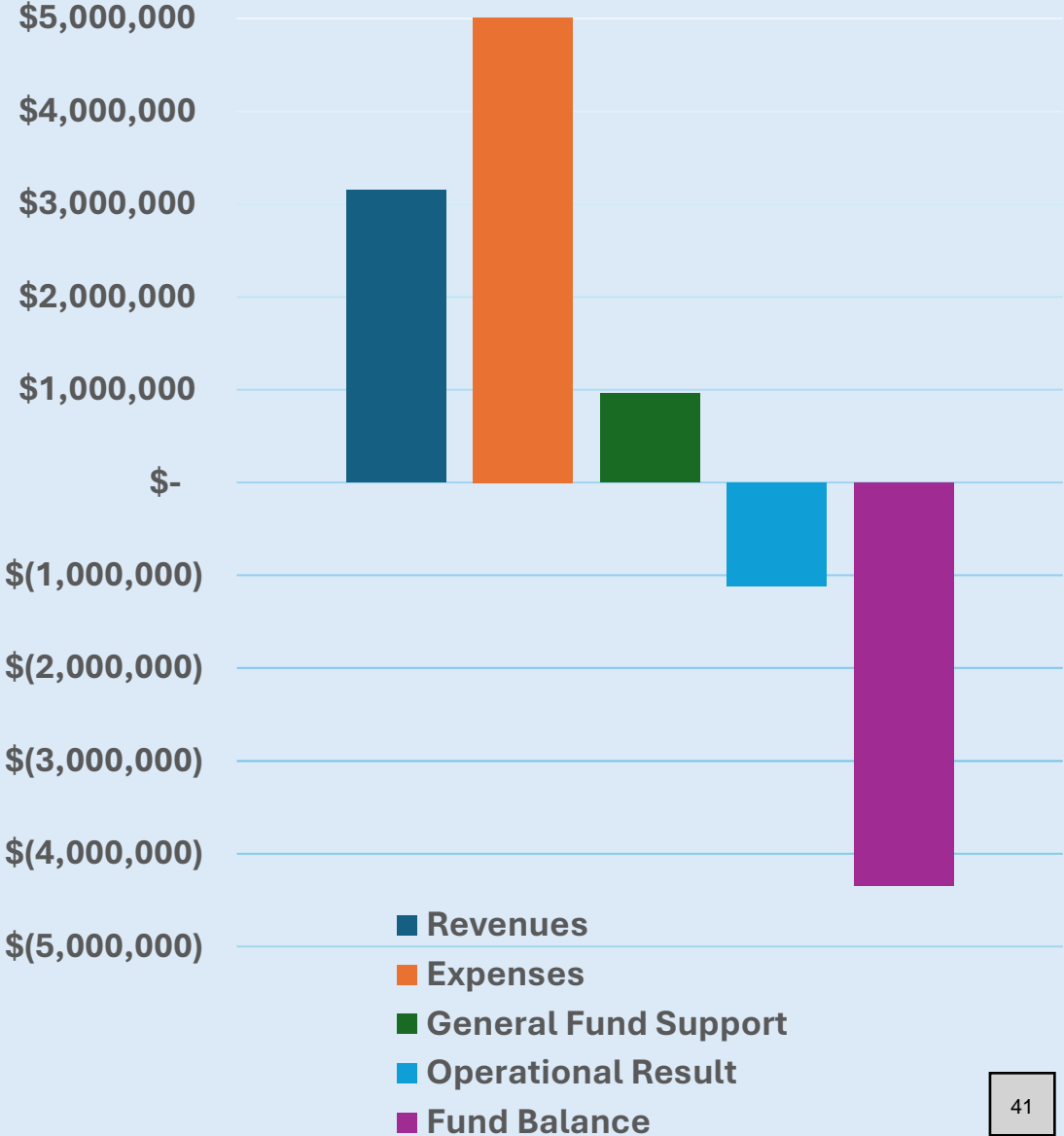
# FY27 Discussion

- Assumptions

- Maintenance needs will be back to normal operations – CBJ staff will be trained with little assistance needed from external sources
- 5% increase in revenue
- 5% increase in expenses
- 3% increase in General Fund Support
- Unknown - new operational startup costs for the gondola

- Fund Balance

- Could Increase to -\$4,000,000

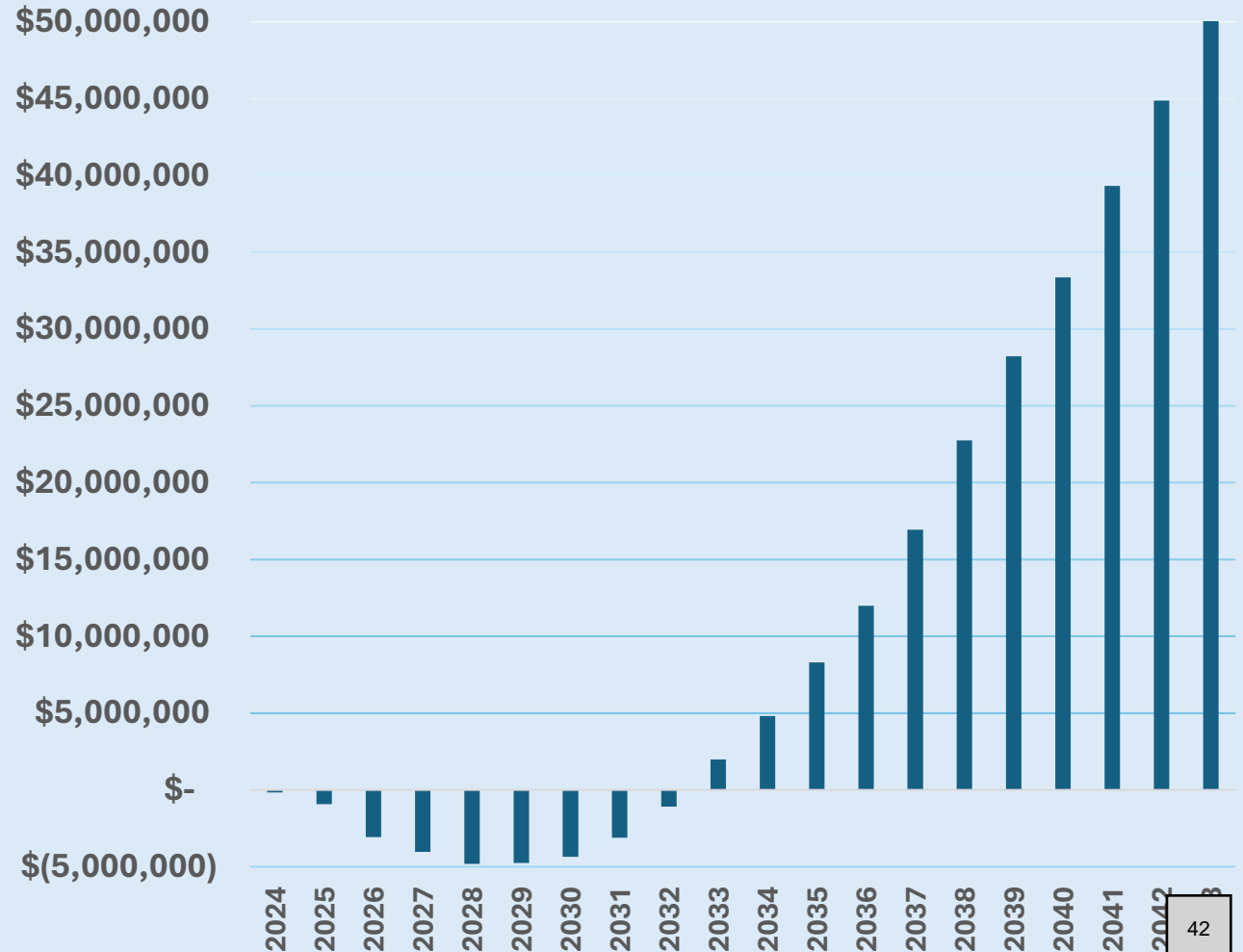


# Fund Balance with Low, Moderate and Aggressive Pricing Scenarios, FY24 to FY43

- Revenue and Expense Assumptions in the Report
- Maximum Fund Balance draw ranges from \$4.1 million to \$11.8 million depending on gondola sales assumption

Price Scenario	Year of Max. Negative Fund Balance	Max. Negative Fund Balance Amount	Fund Balance in 2043 (No Reinvestment)
\$45	2035	(\$11,800,000)	\$10,200,000
\$65	2028	(\$4,800,000)	\$50,100,000
\$85	2028	(\$4,100,000)	\$61,300,000

## Fund Balance in Moderate Pricing Scenario



# Governance

- Past and present Eaglecrest Board members are well-intentioned, dedicated individuals volunteering their time to provide policy oversight and supervision of the manager
- Boards typically do not provide subject matter expertise
- Additional Support and Improved Protocols for Technical Issues
  - Lift Maintenance
  - Vehicle Maintenance
- Internally Generated Biweekly Financial Report
- Employee Feedback Loop Improvements

# Summary & Observations

- Develop a plan for getting winter operations back on a sound preventive maintenance schedule
- Determine funding needs through FY 2027
- Explore additional/alternative funding sources
- Verify Gondola Revenue and Expense Projections
- Tackle the governance protocols to ensure continuity of operations

# Title 49 Rewrite Project Phase 1 Wave 1 Amendments

27JAN25

Rob Dumouchel, Special Projects Planning Manager

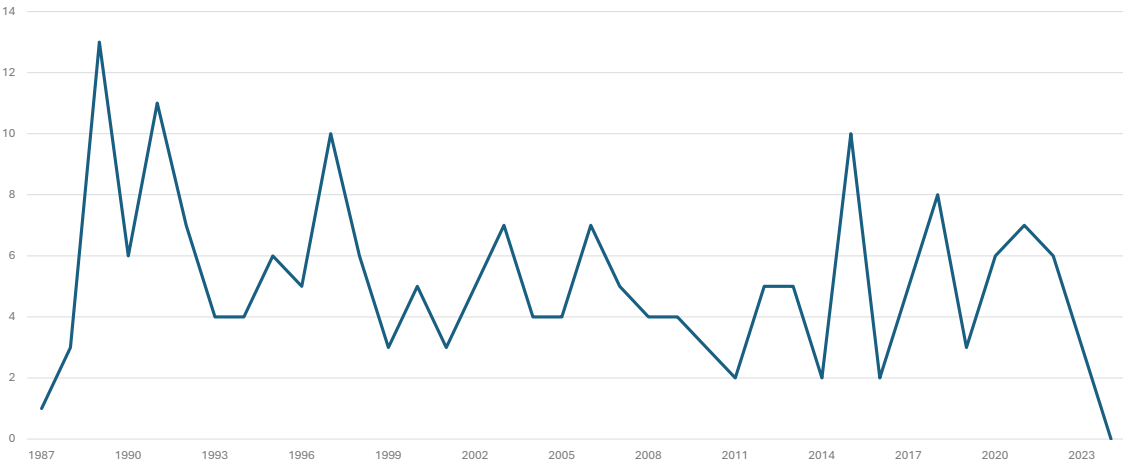
## Presentation Agenda

- Title 49 Basics
- Title 49 Rewrite Project Overview
- Amendment Elements
- Next Steps

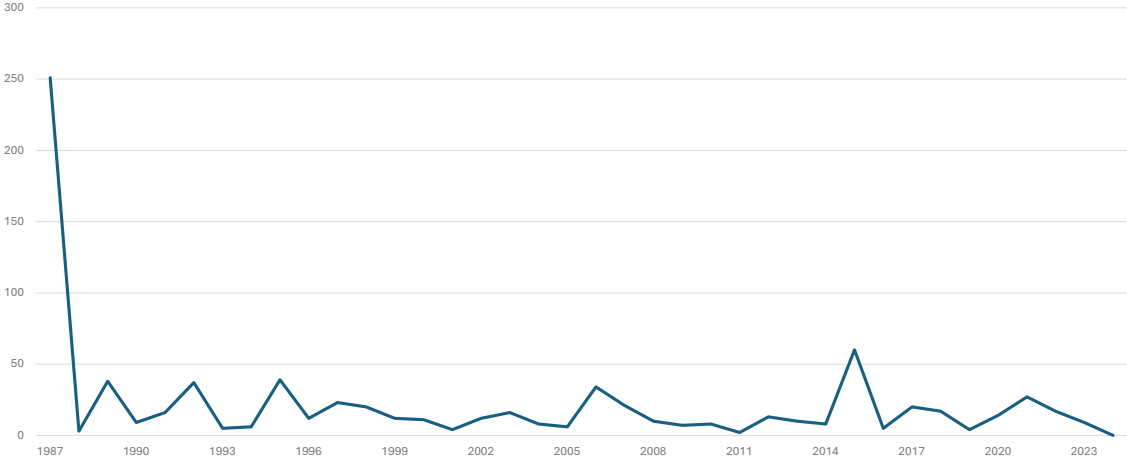
# What is Title 49?

- Title 49 is the Land Use portion of CBJ’s Code of Ordinances
- Title 49 covers zoning districts, allowable uses, parking, dimensional standards, subdivisions, permits, and much more
- The current iteration of Title 49 was adopted in 1987 and has been amended since approximately 193 times in the last 38 years!

## T49 Amendments per Year, 1987-2024



# T49 Elements Amended per Year, 1987-2024



## Title 49 Purpose and Intent (49.05.100)

- **Enact the comprehensive plan**
- Grow CBJ in a way that is aligned with the values of its residents
- Maximize benefits of growth while minimizing the negative impacts
- Ensure that future growth is of the appropriate type, design and location, and is served by a proper range of public services and facilities
- Promote public health, safety, and general welfare
- Provide adequate open space for light and air
- Recognize the economic value of land and encourage its proper and beneficial use

# Title 49 Organization

T49 has 17 Chapters, 72 Articles, 10 Divisions, and ~374 sections

49.05 Establishment	49.50 Parks, Open Space and Vegetative Cover
49.10 Administration and Compliance	49.55 Financial Responsibility
49.15 Permits	49.60 Bonus Procedures and Policies
49.20 Appeals, Variances and Interpretations	49.65 Specified Use Provisions
49.25 Zoning Districts	49.70 Specified Area Provisions
49.30 Nonconforming Situations	49.75 Rezonings, Special Standards, Regulations and Text Amendments
49.35 Public and Private Improvements	49.80 Definitions
49.40 Parking and Traffic	49.85 Fees for Land Use Actions
49.45 Signs	

## Why Rewrite Title 49?

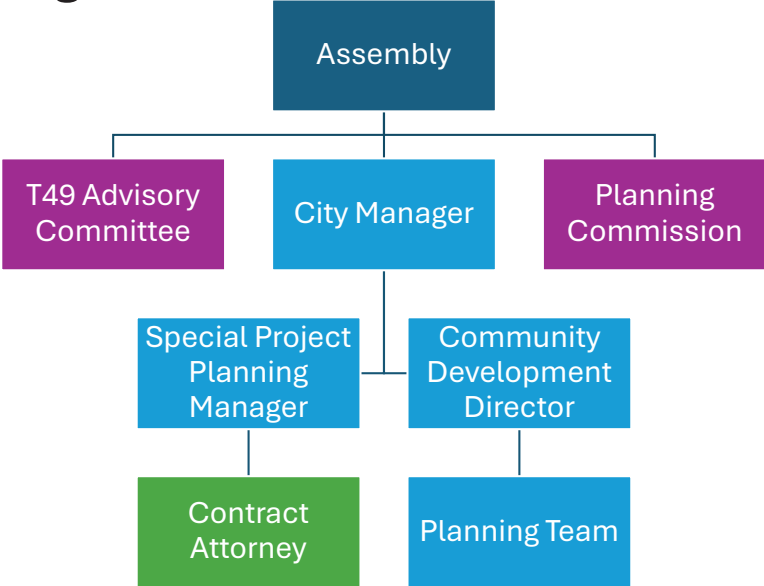
- Title 49 has been identified as a barrier to development and Assembly goals
- Title 49 has aged to the point that a large-scale overhaul/rewrite is a very appropriate action



# Title 49 Project History

- Title 49 Rewrite identified as a project at **2023** Assembly retreat
- Committee meets for first time **October 2024**
- Project approved **June 2024** in FY25 budget
- Contract Attorney joins team **October 2024**
- Special Project Planning Manager joins CBJ **August 2024**
- Committee meets **November 2024** and supports Phase 1 Wave 1 Amendments going to Assembly for consideration
- Ad Hoc Title 49 Rewrite Advisory Committee appointed **September 2024**
- Phase 1 Wave 1 Amendments presented to Assembly Committee of the Whole **January 2025**

# Project Org Chart



## Ad Hoc Title 49 Rewrite Advisory Committee

- Created in September 2024 to provide strategic advice and help advance a rewrite of Title 49
- Members:
  - Gregory Smith, CBJ Assembly, Committee Chair
  - Mandy Cole, CBJ Planning Commission, Committee Vice-Chair
  - Maggie McMillian, Juneau Chamber of Commerce
  - Lorraine DeAsis, Tlingit-Haida Regional Housing Authority
  - Corey Baxter, Building Trades Representative
  - Rich Harris, Development Community Representative
  - Bill Heumann, Development Community Representative

## Title 49 Project Vision

The updated Title 49 will be **streamlined and easy to understand**, improving the experiences of the public, the development community, and CBJ staff. Title 49 will be **modernized** to better meet current needs and set CBJ up for success in the future.

## Title 49 Project Goals

- Reduce Uncertainty for Applicants
- Remove Unnecessary Barriers to Development
- Reduce Time to Acquire Permits

## Tactics

- Remove regulations that provide minimal value and create unnecessary burdens on applicants and staff
- Create objective standards in code that can be applied by staff as much as reasonably possible
- Delegate authority to the CDD Director when reasonable to save time in decision-making

# Title 49 Project Phases – Initial Vision

## Phase 1

## Phase 2

<b>Wayward Code</b>	<b>Unfulfilled Aspirations</b>	<b>Transformative Change</b>
<b>Process Improvements</b>	<b>Unfinished Business</b>	<b>Restructuring</b>
		<b>Translation to Plain English</b>

# Title 49 Project Phases – Updated Vision

## Phase 1

## Phase 1.5

## Phase 2

<b>Wayward Code</b>	<b>Unfulfilled Aspirations</b>	<b>Transformative Change</b>	
<b>Process Improvements</b>	<b>Unfinished Business</b>	<b>Restructuring</b>	<b>Comp Plan Alignment</b>
		<b>Translation to Plain English</b>	

**Short- to Mid-Term Needs**

**Technical Rewrite**

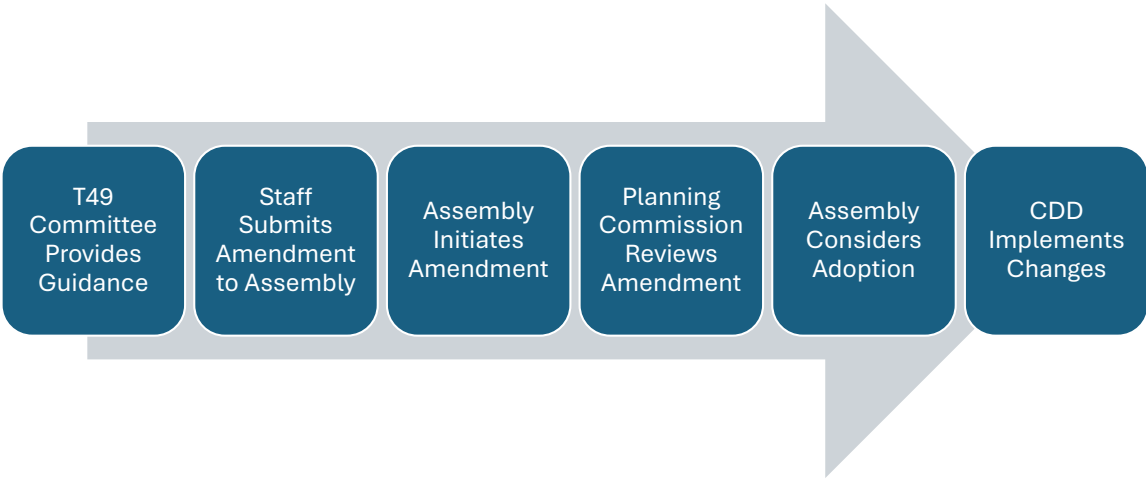
**Post-Comp Plan Updates**

# Phase 1 - Prioritizing Considerations

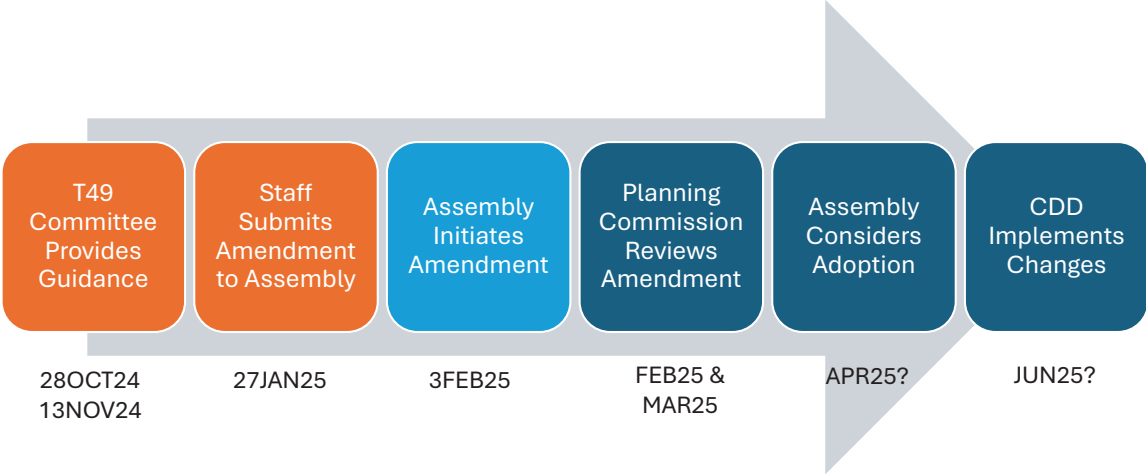
- Is it supported by the 2013 Comprehensive Plan and/or other adopted plans?
- Does it streamline a process and/or remove barriers to reasonable development?
- Does it move forward one or more Assembly Goals?

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

## Public Process



# P1W1 Public Process Progress



## P1W1 Elements

- Accessory Dwelling Units
- Caretaker Units
- Determining Use – Major vs. Minor
- Use Not Listed - Equivalent Use Determinations
- Transition Zones
- Adjustments to Approved Permits
- Rules of Construction

# Accessory Dwelling Units (ADUs)

- Concept: Loosen regulations on ADUs to allow for an easier pathway to development of a popular, low impact housing type that can have a significant cumulative impact on housing availability over time.

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Accessory Dwelling Units (ADUs)

- Proposed amendment concept:
  - Creates ADU definition to replace accessory apartment
  - Exempts ADUs from density calculations
  - Exempts ADUs from minimum lot size and width
  - Maximum detached ADU size of 1000 square feet
  - Maximum attached ADU size of 1000 square feet or 40% of the principal residential structure, whichever is greater
  - 10-foot rear setback for ADUs, unless zone allows less
  - Removes parking requirements within 1 mile of transit
  - Principally permits ADUs in all residential districts
  - Makes ADUs a minor development under 49.25.300
  - Allows attached ADUs within the footprint of a bungalow

# Caretaker Units

- Concept: Create a more formal structure for caretaker units which exist in Title 49 as a TPU footnote and have virtually no rules, definitions, or standards
- T49 Advisory Committee suggested seeking alternative solutions, however, this is the only pathway supported by the existing comprehensive plan

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Caretaker Units

- Proposed amendment concept:
  - Creates definition for caretaker unit
  - Exempts caretaker units from density calculations
  - Allows caretaker units up to 2000 square feet (currently unlimited)
  - Makes caretaker units a minor development under 49.25.300
  - Adds caretaker units to the TPU in WI and I zone districts
  - Cleans up other references in code (i.e. mobile homes 49.65.300)



# Determination of Use – Major vs Minor

- Concept: Modify language to make 49.25.300(c)(3) less confusing and avoid triggering use permits for projects that would otherwise easily meet existing objective development standards.

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Determination of Use – Major vs Minor

- Proposed amendment concept:
  - Removes references to bedrooms leased on a daily or weekly basis
  - Clarifies that a project can combine minor developments without triggering a major development determination
  - **Removes specific number limits for dwelling units in multifamily and commercial/mixed-use districts and instead relies on existing density and development standards**
  - Specifies ADUs are minor developments in residential districts
  - Specifies that caretaker units are minor developments in industrial districts

# Use Not Listed

- Concept: Create a streamlined mechanism that allows for Director-level approval of equivalent use determinations which speeds up approval process for new businesses. Uses not reasonably equivalent to existing uses must be considered by the Planning Commission.

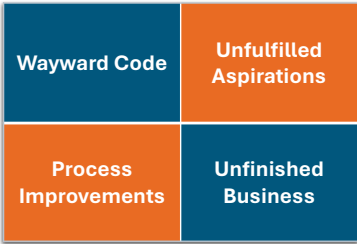
Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Use Not Listed

- Proposed amendment concept:
  - Allows the CDD Director to consider a use not listed and approve it if it meets certain specific conditions
    - Director can instead refer to Planning Commission at their discretion
    - Director decisions are appealable to the Planning Commission
  - If a use does not meet conditions, it would have to go through a text amendment process to be added to the TPU

# Transition Zones

- Concept: Title 49 has zones that are pre-approved for upzoning but there is not an efficient mechanism to make the change when eligible, this amendment would create a streamlined process for upzoning (T) zoned parcels



# Transition Zones

- Proposed amendment concept:
  - Allows the CDD Director to initiate and ministerially approve upzoning of (T) parcels
  - Confirms that rezones of (T) parcels that differ from the pre-determined future zone, must go through the normal rezoning procedure in 49.75.130

# Adjustments to Approved Permits

- Concept: Create a globally applicable permit modification mechanism for Title 49 which will allow for more flexibility in making minor modifications to dynamic development projects

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Adjustments to Approved Permits

- Proposed amendment concept:
  - Creates a section for amendments of approved permits
  - Creates a definition for a minor amendment
  - Allows CDD Director to approve minor amendments
  - Routes major amendments back to the body that originally approved the permit complete with any public notices and public hearings
  - Deletes sections made redundant by this new section

# Rules of Construction

- **Concept:** Improve the ability of planning commission, staff, developers, and the public to interpret Title 49 through clear and comprehensive rules of construction
- Rules of construction contain guidelines for how words are to be used, how the code is to be interpreted, and how to resolve conflicts between different elements of code

Wayward Code	Unfulfilled Aspirations
Process Improvements	Unfinished Business

# Rules of Construction

- Proposed amendment concept:
  - Deletes 49.80.110 – Rules of construction and replaces 49.05.140 – Interpretation with a new 49.05.140 – Rules of Construction
  - Addresses word usage issues via cross reference to 01.15.020
  - Addresses usage of lists
  - Clarifies measurement of time
  - Sets rules for rounding of fractions
  - Discusses delegation of authority in T49
  - Sets rules for solving conflicts between provisions

## Next Steps

- Phase 1 Wave 1 Amendments will be introduced to the Assembly on February 3<sup>rd</sup> for consideration of text amendment initiation
- Staff recommends giving the Planning Commission a 60-day shot clock to review and comment on the proposed amendments
- Staff expects to return to the Assembly in April to begin the process of considering amendments for adoption

## Looking Forward at the Big Picture

- Staff and the project’s contract attorney will continue to work on a full technical rewrite of Title 49 with strategic advice from Title 49 Advisory Committee
- When the Comprehensive Plan Update project is conducting public engagement, the Title 49 Rewrite project will also participate
- When the Comprehensive Plan is complete, Phase 2 amendments will begin

## Staff Recommendation Preview

- Initiate proposed text amendments at the February 3<sup>rd</sup> Assembly meeting and give the Planning Commission 60 days to review and comment

# Thank You!

Rob Dumouchel

[rob.dumouchel@juneau.gov](mailto:rob.dumouchel@juneau.gov)

<https://juneau.org/manager/t49rewrite>



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

TO: Mayor Weldon and Assembly  
 FROM: Rob Dumouchel, Special Project Planning Manager  
 THROUGH: Katie Koester, City Manager  
 DATE: 14JAN25  
 RE: Title 49 Phase 1 Text Amendments, First Wave

The rewrite of Title 49 – Land Use is a multi-phase project. Phase 1 began in August 2024 and is focused on updates that are not dependent on the upcoming rewrite of the Comprehensive Plan.<sup>1</sup> Text amendments related to housing and efficient permitting make up the bulk of the first wave of Phase 1 text amendment proposals.

This memo is a roadmap to the materials provided for the first wave of text amendments. The proposal touches on housing, code interpretation, and discretion. This memo provides a brief overview of the proposed amendments. Attached to this memo are a series of memos discussing technical elements of the text amendments. The table below lists memo topics, the sections of code involved, and a high-level description of the impacts:

Topic	Code Sections	Overview of Changes
Accessory Dwelling Units (ADUs)	<b>Edits:</b> 49.25.300 – Determining Uses and Table of Permissible Uses; 49.25.510(k) – Accessory Apartments; 49.40.210 – Number of Off-Street Parking Spaces Required; 49.65.630 – Bungalow Construction Standards; and 49.80.120 – Definitions <b>Creates:</b> 49.25.512 – Accessory Dwelling Units (ADUs)	Modernizes Accessory Apartment/ADU program and edits associated sections of Title 49
Caretaker Units in Industrial Areas	<b>Edits:</b> 49.25.250 – Waterfront Districts; 49.25.300 – Determining Uses and Table of Permissible Uses; 49.40.210 - Number of Off-Street Parking Spaces Required; 49.65.300 – Mobile Homes on Individual Lots; and 49.80.120 – Definitions <b>Creates:</b> 49.25.514 – Caretaker Units	Defines caretaker units and creates a framework for their administration and development
Use Not Listed	<b>Edits:</b> 49.20.320 – Use Not Listed	Allows the Director to make equivalent use determinations
Determining Uses	<b>Edits:</b> 49.25.300 Determining Uses	Removes select conditional use permit triggers
Transition Zones	<b>Edits:</b> 49.70.720 – Zoning Upgrade	Allows Director to upzone eligible Transition (T) zoned parcels
Amendments to Approved Permits	<b>Creates:</b> 49.15.160 – Amendments of Approved Permits & 49.15.130(d) regarding incomplete applications <b>Deletes:</b> 49.15.660 – Amendments to Approved Planned Unit Development Plan; 49.15.750 – Amendments to Approved Cottage Housing Development Plan; 49.15.970 – Amendments to Approved Alternative Residential Subdivision Plan	Creates a mechanism that allows for Director-level amendments for minor changes
Rules of Construction for Title 49	<b>Replaces:</b> 49.05.140 – Interpretation with 49.05.140 Rules of Construction <b>Deletes:</b> 49.80.110 – Rules of Construction	Improves existing code related to interpretation and construction of Title 49

<sup>1</sup> Phase 1 is envisioned to cover the following elements: **Wayward Code** – those sections of code that would be more appropriately located elsewhere in CBJ code; **Process Improvements** – amendments that streamline permitting by increasingly clarity and efficiency; **Unfulfilled Aspirations** – concepts already vetted and approved by previous planning documents but not yet implemented; **Unfinished Business** – topics discussed at the Planning Commission level but not completed and advanced to the Assembly for consideration



The Ad Hoc Title 49 Advisory Committee was presented the concepts included in the text amendment at their October 28, 2024 meeting. The conversation was continued to their November 13, 2024 meeting where the Committee passed a motion to support the development of a text amendment containing all of the proposed concepts.<sup>2</sup> The text amendment was drafted in-house and preliminary legal review has been completed by the Title 49 Rewrite project’s contract attorney.

On February 3, 2024, the Assembly will have the ability to initiate the text amendment process in accordance with 49.75.410(b).<sup>3</sup> Staff is recommending that a 60-day “shot clock” provision be included in the motion to initiate the text amendment process. This ensures a timely return of the amendment to the Assembly for consideration.

**Staff Recommendation:** Introduce ordinance with proposed text amendments to Title 49 and refer to the Planning Commission for a review to be completed within 60 days.

Attachments:

- Memo: Accessory Dwelling Units
- Memo: Caretaker Units in industrial Areas
- Memo: Determining Uses – Major vs. Minor Developments
- Memo: Use Not Listed
- Memo: Transition Zone Upzoning
- Memo: Amendments to Approved Permits
- Memo: Rules of Construction for Title 49
- Text Amendment – Ordinance 2025-15

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<sup>2</sup> There was disagreement over how to best implement industrial caretaker units, however, the committee generally supports a limited apartment-type use in industrial districts, more information is provided in the attached caretaker text amendment memo.

<sup>3</sup> 49.75.410 Text Amendments. (a) **Commission initiated.** The commission shall initiate an amendment to this title by holding a public hearing to consider whether it should recommend such amendment to the assembly. The director shall provide at least ten days public notice of the hearing (b) **Assembly initiated.** The assembly shall initiate an amendment to this title by referring such amendment to the commission for proceeding in accordance with subsection (a) of this section.



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

TO: Mayor Weldon and Assembly  
FROM: Rob Dumouchel, Special Project Planning Manager  
THROUGH: Katie Koester, City Manager  
DATE: 14JAN25  
RE: Accessory Dwelling Unit Text Amendment

A heightened focus on accessory dwelling units (ADUs) has emerged as an impactful strategy to increase housing in cities across America. ADUs can be attached or detached structures located on the same parcel as an existing residential use. They use a small-scale infill development pattern to bring a "gentle density" increase to neighborhoods and take advantage of existing infrastructure such as roads, sidewalks, transit, and utilities.

The proposed ADU text amendment builds on work begun by the Community Development Department (CDD), the Planning Commission, and the Title 49 Subcommittee. The text amendment is written with the intention of integrating current best practices for ADUs to remove barriers to development and streamline permitting. The text amendment is supported by numerous policies from the Comprehensive Plan adopted in 2013 and furthers 2024 Assembly Goal #1: Housing – Assure adequate and affordable housing for all CBJ residents.

**ADU Background**

ADUs can either be attached or detached dwellings, with complete independent living facilities for one or more people, which are an accessory use subordinate to a primary residential use. ADUs are commonly found as backyard cottages or apartments integrated into a larger existing home. They are a low impact way to add housing to existing neighborhoods. ADUs also tend to be more affordable in nature due to their smaller size.

Common motivations for building an ADU include housing a friend or family member, increasing property value, and gaining additional income<sup>4</sup>. ADUs have a broad appeal as dwelling units and have often been associated with the housing of aging family members and college students. In today's housing market, renters from wide economic and social backgrounds choose to rent ADUs for a variety of reasons.

ADUs are currently allowed in the City and Borough of Juneau (CBJ) through Title 49 – Land Use section 49.25.510(k) which calls them "accessory apartments." According to permit data collected by CDD from 2013 to 2024, ADUs have accounted for approximately 13% of the new housing units added in Juneau in the last decade. Under the current code, many ADUs must go to the Planning Commission for approval via a conditional use permit, however, ADUs seldom receive conditions that aren't already covered by existing codes or laws. In total, 11 use permits for ADUs have been considered by the Planning Commission since 2021. All have been approved, and only one ADU received conditions that went beyond a restatement of existing Title 49 regulations<sup>5</sup>. It can be inferred from this pattern that requiring conditional use permits for ADUs has not created meaningful value for the community and use permits have become an unnecessary barrier to housing development. Figure 1 below shows the pattern of ADU approvals by year from 1990 to 2024 (note that the permits are credited to the year in which they were applied for, not necessarily the year in which they were granted).

<sup>4</sup> Volker, J. M., & Handy, S. (2023). Exploring homeowners' openness to building accessory dwelling units in the Sacramento metropolitan area. *Journal of the American Planning Association*, 89(1), 45-60.

<sup>5</sup> One ADU was approved for a use permit but failed to secure a parking waiver in a separate vote which effectively denied the ADU. An appeal was filed with the Assembly and rejected; however, the Assembly has encouraged the applicant to reapply for a parking waiver. If the proposed ADU text amendment is approved, the subject ADU would not require a use permit or a parking waiver.

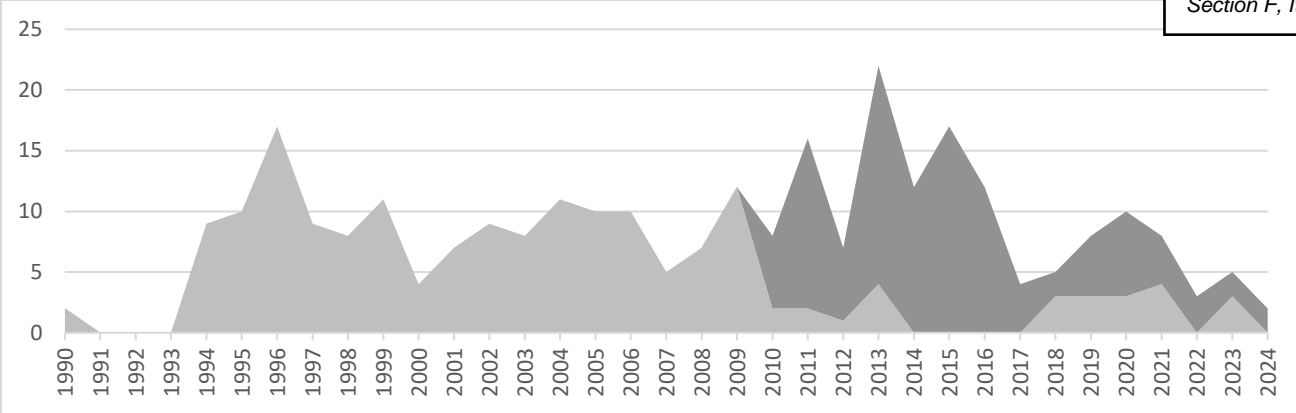


Figure 1: Approved ADU use permits (light gray) and accessory apartment permits (dark gray) by year 1990-2024

Barriers created by zoning codes, or perceived to be created by zoning codes, can deter the development of ADUs by homeowners who would otherwise have an interest in creating a unit – or encourage the development of unpermitted ADUs which can lead to unsafe housing conditions. The removal of barriers to ADU creation is a strategy that appears to have influenced a proliferation of ADUs in other parts of the country. To accelerate the use of ADUs for housing stock expansion, a growing number of state governments<sup>6</sup> have taken the step to preempt local governments with ADU laws that remove barriers to development. For instance, California has passed multiple pieces of state-level ADU legislation that have been followed by a quadrupling of annual ADU permits from the early 2000s to 2022<sup>7</sup>. Alaska is unlikely to preempt the planning authority of local governments, however, CBJ is perfectly capable of mirroring current best practices for ADU regulations found throughout the rest of the country as a tool to incrementally relieve housing pressure.

Research has found that the most common barriers to ADU development include zoning, permitting, construction costs, and access to capital through lending institutions<sup>8</sup>. This proposed text amendment would relieve some of the zoning challenges and remove the need for applicants to go through the conditional use permit process in most cases. Matched with the Accessory Dwelling Unit Grant Program within the Juneau Affordable Housing Fund, there is a real potential for increased ADU development in Juneau. If the Assembly is interested in addressing issues related to lending, that is outside the scope of Title 49 and would be best handled through public/private partnerships between CBJ and lending institutions.

The basics of a high-performance ADU program include allowing ADUs by-right (meaning that they do not require a conditional use permit); streamlining approval processes; minimizing or removing parking requirements; allowing larger units; and not creating so many rules for ADUs that they become too expensive to build or are perceived as too difficult to build<sup>9</sup>. Another best practice is to create pathways for the permitting of illegal units through amnesty programs that agree to not penalize homeowners for past violations if they successfully bring their unpermitted ADU into compliance with current zoning and building codes<sup>10</sup>.

**ADUs in Alaska**

ADU ordinances in Alaska are on a spectrum from very restrictive to very permissive. On the restrictive end, cities allow only very small units, have owner occupancy requirements, high parking standards, and require use permits. On the permissive end, unit sizes are larger, parking requirements are either relaxed or absent, and approvals are ministerial. The Table below gives a brief overview of ADU programs in six different Alaskan municipalities.

<sup>6</sup> California, Connecticut, Maine, New Hampshire, Oregon, Rhode Island, Utah, Vermont, and Washington

<sup>7</sup> Wielga, C. (2023). Accessory Dwelling Units and the Preemption of Land Use Regulation. *Cityscape*, 25(3), 99-122.

<sup>8</sup> Chapple, K., Wegmann, J., Mashhood, F., & Coleman, R. (2017). Jumpstarting the market for accessory dwelling units: Lessons learned from Portland, Seattle, and Vancouver; Volker, J. M., & Handy, S. (2023). Exploring homeowners’ openness to building accessory dwelling units in the Sacramento metropolitan area. *Journal of the American Planning Association*, 89(1), 45-60.

<sup>9</sup> Alaska Municipal League. (2023). AkDU’s and Don’ts: A Practical Approach to Bringing Additional Dwelling Units to Alaska Communities.

<sup>10</sup> Ramsey-Musolf, D. (2018). Accessory dwelling units as low-income housing: California’s Faustian bargain. *Urban Science*, 2(3), 89.

City/Borough	Size	Parking	Other Notable Features
Kodiak Island Borough	575 sq ft to 725 sq ft depending on zone district	2 spaces if <600 sq ft 3 spaces if >600 sq ft	Owner must live on site
Mat-Su Borough	Cannot exceed 50% of the principal dwelling floor area	Not addressed	Allow up to two ADUs
Palmer	300 sq ft minimum; 900 sq ft maximum; No more than 40% of gross floor area of principal dwelling	1 space for studio and one-bedroom units 2 spaces for two-bedroom units	Owner must live on site at least six months per year; Attached units must have interior door connecting units; ADU permits are non-transferrable
Petersburg	800 sq ft or: 40% of main dwelling on lots <.5 acres; 60% of main dwelling on lots >.5 acres and <1 acre; 80% of main dwelling on lots >1 acre	None required	ADU can't be taller than principal residence or closer to the front of the property
Sitka	800 sq ft	Parking plan required	Excluded from Short Term Rental usage; No RVs or mobile homes as ADUs; A conditional use permit can override general ADU requirements
Soldotna	750 sq ft	1 space	Excluded from Short Term Rental usage; No RVs or mobile homes as ADUs

**ADU Text Amendment Proposal Highlights**

The proposed text amendment removes the existing accessory apartment language in 49.25.510(k) and adds a new section for ADUs within Title 49. It also edits connected sections of code spread throughout Title 49. The proposal includes the following:

- Strikes 49.25.510(k) accessory apartments and replaces it with 49.25.512 accessory dwelling units which is written in plain English and is much shorter than the original code section.
- Reduces ADU permit application requirements contained within code which gives CDD more flexibility to adjust requirements within an evolving development context.
- Exempts ADUs from density calculations.
- Explains an ADU's relationship to a principal structure and acknowledges that a principal structure may become an accessory structure to a newly constructed single-family home.
- Exempts ADUs from minimum lot size and minimum lot width but retains maximum lot coverage and maximum height limits from the underlying zone district. Existing legal nonconforming structures converted to ADUs are not required to remedy noncompliance with lot coverage, setback, or height standards.
- Sets maximum size standard of 1000 square feet for detached ADUs.
- Sets maximum size standard of 1000 square feet or 40% of the principal residential structure, whichever is greater for attached ADUs.
- Sets a 10-foot rear setback for ADUs
- Removes on-site parking requirements for ADUs within one mile of a transit stop, as well as those created via conversion of an existing covered parking space.
- Defines Accessory Dwelling Unit in 49.80.120 – Definitions.
- Explicitly names ADUs as a minor development in single-family; multifamily; and commercial and mixed-use zone districts in 49.25.300 – Determining Uses.
- Principally permits ADUs in all residential districts.
- Allows attached ADUs within the allowable construction standards of a bungalow. The intent is that a conforming bungalow structure could have an ADU created within its footprint, to include the conversion of a covered parking area (i.e., garage).

**Future Considerations**

The proposed text amendment is intended to remove barriers and stimulate interest in ADU development. It is much less restrictive than the existing code for accessory apartments, but it is driven by best practices from other cities that have had success with ADUs as a housing strategy. If the Assembly chooses to adopt the changes, it would be advisable to analyze ADU interest and development patterns in the years following adoption. We may identify additional barriers to remove, or areas in the code where CBJ should become more restrictive. Additionally, ADUs should be a topic of discussion in the comprehensive plan update which begins soon.

Under the Juneau Affordable Housing Fund there is a grant program supporting ADU creation that provides up to \$16,000 to develop a new ADU. I recommend considering an increase to \$50,000 to match the per unit allocation for larger developments. A unit is a unit, regardless of whether it is an ADU or an apartment in a new multifamily complex. This increase has the potential to stimulate ADU development by property owners with less home equity or lower incomes. The Assembly could also consider a loan program to help potential ADU developers overcome the challenge of accessing the capital required to build a new unit.



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Juneau, Alaska 99801  
Telephone: 586-5240 | Facsimile: 586-5385

TO: Mayor Weldon and Assembly  
FROM: Rob Dumouchel, Special Project Planning Manager  
THROUGH: Katie Koester, City Manager  
DATE: 14JAN25  
RE: Caretaker Units in Industrial Areas

It is not appropriate to build extensive residential developments in industrial areas, however, caretaker units are a common and appropriate accessory residential use for industrial developments that provide management and oversight to areas that would otherwise be unsupervised outside of regular working hours. Caretaker units are currently allowed, but they are not well defined and are time consuming to review and approve under the current code. The proposed text amendments would define caretaker units in Title 49, create a section of code specifically for administration of caretaker units, make caretaker units a principally permitted use in Waterfront Industrial (WI) and Industrial (I) zone districts, and address some related issues connected to parking and mobile homes.

**Caretaker Units in General**

Caretaker units are an accessory residential use in an industrial setting that allows an owner, caretaker, superintendent, security guard, or other similar type of employee to live on the site of a principal industrial use and provide oversight. Caretaker units can be attached or detached, but they are not intended to be the primary use of a parcel.

Caretaker units are a limited exception for a residential use in an otherwise industrial area. Industrial zone districts, by their nature, are not well-suited to high-density residential uses. These areas can be noisy, dirty, and host to numerous physical hazards. Whis this in mind, the Alaska Department of Conservation has regulations relevant to specific industrial uses (e.g., asphalt plants) that may preclude the development of either a caretaker unit or an industrial use, depending on which was established first. Industrial zones generally do not have the amenities one would expect in a residential setting like sidewalks and parks, nor do they have the feelings of community developed through interactions with neighboring households.

There are practical benefits to caretaker units. Having a resident caretaker can increase safety and security for the principal industrial use. It can also ensure a qualified individual is on site to handle emergencies or critical maintenance tasks that may occur at any time of day or night. This could also be viewed as providing a public safety benefit as a caretaker could intervene before a situation escalates into a public health and safety hazard.

**Caretake Units within Adopted CBJ Plans and Code**

The 2013 Comprehensive Plan is clear that residential uses are not desired within industrial areas, with the exception that caretaker facilities should be allowed (see table below).

Light Industrial (LI)	Residential units should be limited to caretaker units where the occupant works directly for or owns the business for which the occupant is caretaking.
Heavy Industrial (HI)	Residential office, retail, and personal service uses are not to be allowed, except that residential caretaker facilities should be permitted.
Waterfront Commercial/Industrial (WCI)	Residential uses would not be allowed in Waterfront Commercial/Industrial Districts, with the exception of caretaker units.

Within Juneau’s Code of Ordinances Title 49 – Land Use, caretaker units are not specifically defined, however, “single-family detached, one dwelling per lot” is listed in the table of permissible uses (49.25.300) as a principal use in Waterfront Industrial (WI) and Industrial (I) zone districts with the caveat that “a single-family residence is allowed as an owner or caretaker residence that is accessory to an existing permitted use in the industrial zone.” Despite being principally permitted, residential uses are not listed as a minor development in an industrial zone district under 49.25.300 which could be interpreted as a major development requiring a use permit. There is also code which allows for mobile homes to be used in lots outside of mobile home parks/subdivisions as a “caretaker residence” (49.65.300 (3)) which, in most cases, is a separate type of use from the industrial caretaker unit created by this proposed text amendment.

Title 19 – Building Regulations provides a construction-focused definition for “caretaker facilities” as a temporary building “used for occupancy as a dwelling unit on a temporary basis by a caretaker to protect property or equipment during construction or a limited time event.”

The Ad Hoc Title 49 Advisory Committee supported the concept of apartments in industrial zones but was not certain that caretaker units were the best way to implement them. Based on the Committee’s discussion, I considered different configurations like extending the accessory dwelling unit code to industrial zones or allowing an apartment with no other designations like caretaker or accessory dwelling. None of the alternatives would be aligned with the 2013 Comprehensive Plan. For that reason, I suggest approving the creation of a section for caretaker units at this time, and, if the updated Comprehensive Plan is more supportive of residential units within industrial zone districts, that we consider collapsing caretaker units into an accessory dwelling unit framework (the proposed 49.25.512 for Accessory Dwelling Units).

### **Caretaker Text Amendment Proposal Highlights**

The proposed text amendment to Title 49 would define a caretaker unit and give guidelines for permitting and administration of this specific type of residence. The proposal:

- Creates a definition for “caretaker unit” under 49.80.120.
- Create a new code section for caretaker units – 49.25.514 which:
  - Requires a permit for development of a caretaker unit.
  - Requires caretaker units to be accessory to a principal use on the same parcel.
  - Limits residency to caretaker and family (family is defined in Title 49 as “one or more persons living as a single housekeeping unit”).
  - Exempts caretaker units from density requirements, similar to the proposal for accessory dwelling units.
  - Allows caretaker units to be up to 2000 square feet in net floor area (currently no limit exists).
- Clarifies that caretaker units are a minor development under 49.25.300 – Determining Uses
- Edits the Table of Permissible Uses to:
  - Create a line for “Caretaker units” which principally permits them in Waterfront Industrial (WI) and Industrial (I) zone districts.
  - Remove the option for “Single-family detached, one dwelling per lot” from Waterfront Industrial (WI), and Industrial (I) zone districts as it has been replaced by the new caretaker unit use.
  - Edits entry for “Caretakers mobile homes on individual lots” to instead read as “Mobile homes on individual lots outside of mobile home parks” which principally permits them in the Waterfront Industrial (WI) and Industrial (I) zone districts with the caveat that they are further governed by 49.65, Article III – Mobile Homes.
- Adds caretaker units in industrial zone districts to the rules for mobile homes on individual lots under 49.65.300.
- Adds a line for caretaker units in the parking use table and requires zero off-street parking spaces with the intent that total parking requirements for the parcel hosting a caretaker unit will be driven by the principal industrial use.

**Future Considerations:** Juneau is home to many highly seasonal industries which have temporary housing of workers. While it would not be appropriate to pursue traditional multi-family housing developments within industrial zone districts, it would be worthwhile to investigate the allowance of Single-Room Occupancy (SROs) for seasonal worker housing in industrial districts. Additionally, with the news that the US Coast Guard is planning to homeport an icebreaker in Juneau, consideration for allowing barracks-style military housing in Waterfront Industrial (WI) is warranted. These discussions could be included as part of the upcoming Comprehensive Plan update process. If SROs and military housing become supported uses in the new Comprehensive Plan, a Title 49 text amendment would be required for implementation.





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TO: Mayor Weldon and Assembly  
 FROM: Rob Dumouchel, Special Project Planning Manager  
 THROUGH: Katie Koester, City Manager  
 DATE: 14JAN25  
 RE: Determining Uses – Major vs. Minor Developments

The determination of major versus minor developments in Title 49 has created significant barriers to development, particularly the development of multifamily housing. This proposed amendment would improve interpretation of Title 49, but it would also aggressively expand the amount of housing that could be ministerially approved and greatly speed up the development process for multifamily projects.

### **Ministerial versus Discretionary Approval**

When projects are submitted to the Community Development Department (CDD), they are divided into two major categories:

- (1) Minor developments which are projects that are principally permitted and allowed by-right through a ministerial approval process driven by objective standards in code and enforced under the authority of the CDD Director, and
- (2) Major developments which are projects that require discretionary review through a body like the Planning Commission who must make decisions at public meetings.

The determinations as to whether a use requires a discretionary use permit occurs in 49.25.300. The Table of Permissible Uses indicates if a use is allowed within a specific zone district and if it a principal use allowed by-right, or a conditional use requiring a discretionary permit. Further, 49.25.300(c)(3) defines minor developments by type of zoning district. If a project, even if it is a principal use, cannot fit within the definition of a minor use, it triggers a conditional use permit (i.e., a multifamily residence is principally permitted in multifamily residential districts unless it exceeds eight units, nine or more units require a conditional use permit).

Conditional use permits are a common discretionary permitting tool where the Planning Commission reviews a project based on objective code requirements, but also uses their collective expertise and judgement to include consideration of subjective matters when determining whether to approve a permit and apply conditions of approval (if any).

When drafting a zoning code, it is important to give thought as to whether a project should require a discretionary review or not. Every project that triggers a conditional use permit results in a significant amount of time and effort for CDD staff, as well as cost, anxiety/uncertainty, and potential conflict for applicants. If projects are meeting existing zoning standards and going through discretionary processes with no substantive conditions applied, it indicates that perhaps those projects should not be considered "major" developments in need of discretionary review. This text amendment is intended to reduce the number of projects that require discretionary review via a use permit by expanding the scope of minor developments within 49.25.300.

### **CBJ Use Permit Review**

I conducted a review of Planning Commission meeting minutes spanning from January 2021 to September 2024. As part of that review, I collected data on all use permits which went before the Planning Commission. In total, 66 permits were agendized. 64 permits were approved, 1 permit was rejected, and 1 permit was withdrawn by the applicant. Many use permits were approved on consent (28%), and the Planning Commission

only made modifications to the Director’s recommendation in 21% of cases. Objections to app uncommon with only 15% of cases experiencing a split vote. What I infer from this information is that:

- (1) CDD staff is doing a good job in helping applicants develop projects with a high chance of success.
- (2) Many projects are unnecessarily subjected to the use permit process.

Digging deeper into the use permits, I reviewed Notices of Determination which contain the conditions, if any, imposed upon the approved projects. Most projects (~65%) have two conditions or less applied to their use permits, and most conditions are just restatements of existing code. Common existing regulations as conditions include restatements of parking requirements (49.40), required adherence to building code regulations (Title 19), restatements of setbacks (49.25.400), signage rules (49.45), and requirements for bear-resistant trash cans (36.20.056).

**Determining Uses Text Amendment Highlights**

The existing code for determining uses is restrictive and perceived as being somewhat confusing by staff and the public. The proposed text amendment would remove some unnecessary text, clarify that multiple minor developments can be combined and still considered a minor development, and modify dwelling unit restrictions from multi-family and commercial/mixed-use districts<sup>11</sup>. The proposal:

- Removes outdated references to bedrooms leased on a daily or weekly basis
- Clarifies that a project can combine minor developments without triggering a major development determination
- Removes specific number limits for dwelling units in multifamily and commercial/mixed-use districts and instead relies on existing density and development standards

**Multifamily Unit Cap Removal**

The most ambitious portion of this proposal is the removal of specific number limits for dwelling units in multifamily and commercial/mixed-use districts. **This is a very aggressive move to support housing.** As currently written, this section designates multifamily housing projects that meet the allowable density in a district but exceed a specific number of units (i.e., over eight units in multifamily residential districts, or twelve in commercial/mixed-use districts) as major developments requiring a conditional use permit. The proposed text amendment removes the numerical standard and instead relies on the density standard of an underlying zone district. So, for instance, if a 20-unit multifamily residence is proposed for a 2-acre parcel in D-15, no use permit would be required because it does not exceed the underlying density standard of the zone district. Theoretically, a very large multifamily project could be permitted as a minor development as long as it meets existing standards in code. This increases certainty for housing developers and reduces carrying costs associated with waiting for discretionary permits.

<sup>11</sup> The amendments for accessory dwelling units and caretaker units would also make changes to this section of code.  
Title 49 Rewrite, Phase 1 Wave 1 – Page 11



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TO: Mayor Weldon and Assembly  
FROM: Rob Dumouchel, Special Project Planning Manager  
THROUGH: Katie Koester, City Manager  
DATE: 14JAN25  
RE: Use Not Listed

Title 49 – Land Use is very restrictive when it comes to making equivalent use-related decisions. Updating the use not listed regulations is intended to streamline permitting processes by giving the Community Development Director the ability to approve new and innovative land uses more quickly, a benefit to the business community and supported by 2024 Assembly goal #2 – assure Juneau has a vibrant, diverse local economy.

Title 49 has an existing mechanism for approval of uses not listed in the table of permissible uses that requires any equivalent use determination to go to the Planning Commission for a public hearing. In many cases, this is inefficient and a poor use of the Planning Commission's time and creates significant work for Community Development staff.

The proposed text amendment would allow the Community Development Director to consider a use not listed and approve it if it meets certain specific conditions. This is an important tool to be able to handle evolutions of business and local land uses that are similar to existing uses in a timely fashion.

The Director would have the option to refer an equivalent use determination to the Planning Commission, and Director-level decisions would be appealable to the Planning Commission. If there is no logical equivalent use connection, the use would need to be considered through a text amendment as outlined in 49.75.410.



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TO: Mayor Weldon and Assembly  
FROM: Rob Dumouchel, Special Project Planning Manager  
THROUGH: Katie Koester, City Manager  
DATE: 14JAN25  
RE: Transition Zone Upzoning

The City and Borough of Juneau (CBJ) had the foresight to designate certain lands as eligible for upzoning<sup>12</sup> once certain triggers are met. This can be a powerful and effective tool to allow the CBJ to evolve as public water and sewer infrastructure is developed. Unfortunately, despite the clear intent to automatically upzone eligible parcels, no mechanism exists in code to allow that to happen. This issue was identified in the 2013 Comprehensive Plan and Implementing Action 3.1-IA1<sup>13</sup> suggested that this tool would be better implemented if the Community Development Department (CDD) Director were granted the authority to approve the upzoning of transition zones. This proposed text amendment would give the CDD Director the ability to identify lands eligible for upzoning and ministerially enact the change, saving significant costs in both staff time and financial resources.

**Transition Zones in General**

Transition zones are governed by 49.70.700 et seq. which states the purpose of a transition zone as follows:

*A transition zone is an overlay zone district for certain lands located in the urban service boundary that are set aside for higher density development after public water and sewer have been provided. Transition zones shall be identified as such by the designator "T" on the official zoning maps adopted pursuant to section 49.25.110. The overlay district specifies the current lower density zoning classification as well as the proposed increase. The increase in density will take place at the time public services are provided.*

The current code requires either the applicant for a major development permit, or the Planning Commission, to initiate the upzoning of a transition zone and move it forward to a public hearing. Creating staff reports, hosting public meetings, and considering the action at a hearing is a significant amount of work for an action that was predetermined when the land's current zone was adopted.

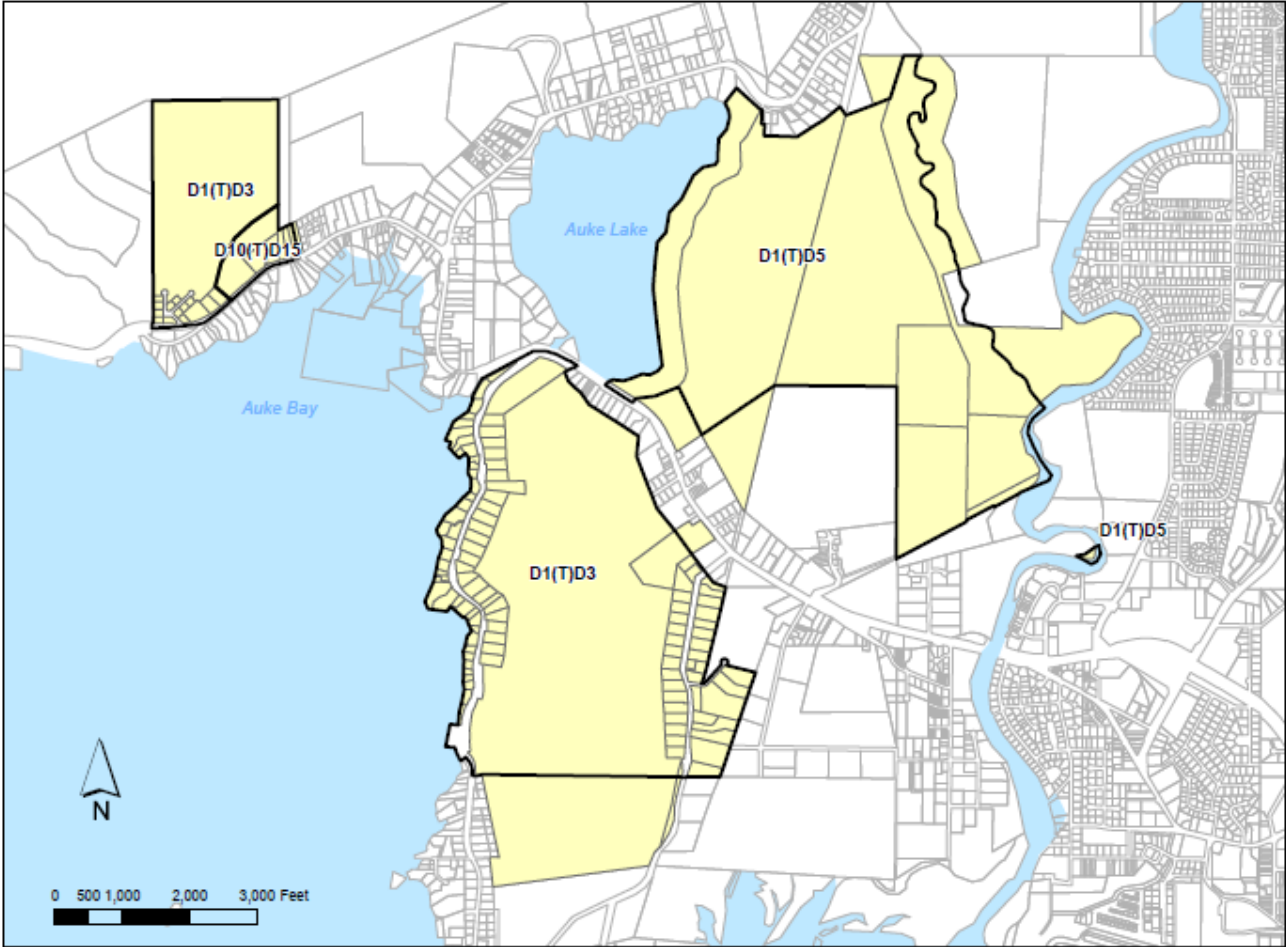
**Current Transition Zoned Parcels Eligible for Upzoning**

At this time, there are approximately 140 (T) zoned parcels located within the Auke Bay area. The vast majority are zoned to move from D-1 to either D-3 or D-5. While there are relatively few parcels that would be affected by this proposal, having a ministerial upzoning tool available will be very useful as the CBJ water and sewer system expands over time. Additionally, after the Comprehensive Plan update is completed, there is a high

<sup>12</sup> Title 49 refers to upzoning as a "zoning upgrade."

<sup>13</sup> 3.1 - IA1 Revise the Land Use Code to allow, in zoning Transitional (T) zones, the higher density zoning designation to be allowed upon petition by the property owner and approval by the Community Development Department (CDD) Director, rather than by a rezoning action, provided that, as a condition of approval, the property owner ensures the provision of adequate municipal water and sewer service and provides adequate roadway capacity to serve the increased population. For example, a D-3 (T) D-10 could transition to D-10, and a D-1 (T) D-5 could transition to a D-5 as a zoning map amendment, with CDD Director's approval, upon the financial assurance of provision of the water, sewer, road and intersection capacity at a LOS D or better prior to its development.

likelihood that new transition zones will be identified, and it will be very advantageous to the administration of those zone districts to have a ministerial approval process for the upzoning of eligible parcels.



Remaining Parcels within Transition Zones as of December 2024 (approx. 140 parcels)

**Transition Zone Text Amendment Proposal Highlights**

This proposed text amendment to Title 49 would grant the CDD Director authority to ministerially upzone parcels with the transition zone (T) indicator if they have met the eligibility requirements of having water and sewer utilities. The amendment does the following:

- Identifies the CDD Director as having the authority to upzone an eligible transition zone parcel.
- Allows the CDD Director to initiate the upzoning of an eligible transition zone parcel.
- Removes the procedure and hearing sections. **If a rezone exceeds the Director’s authority it will go through the normal rezoning process under 49.75.130.**

**Future Considerations**

It’s important to ensure that there is ongoing communication between CDD and the City Engineer regarding the expansion of utility services to new parcels throughout the CBJ. It may also be worthwhile to consider other potential triggers for upzoning transition zones in the upcoming Comprehensive Plan update process. As Juneau goes through stages of development and densification, there may be other logical reasons to automatically upzone areas in the future to achieve CBJ transportation and development goals.



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TO: Mayor Weldon and Assembly  
 FROM: Rob Dumouchel, Special Project Planning Manager  
 THROUGH: Katie Koester, City Manager  
 DATE: 14JAN25  
 RE: Amendments to Approved Permits

It is common for development projects to require modifications after approval. Under current regulations, some relatively insignificant changes end up returning to the Planning Commission. Re-entry to a discretionary process can add months to a project and significant costs for the developer. The intent of this proposed text amendment is to give the Community Development Department (CDD) Director the ability to review minor amendments to approved permits without having to repeat a trip to the Planning Commission for review.

Currently, Title 49 has specific sections for amendments to approved planned unit development plans (49.15.660), approved cottage housing development plans (49.15.750), and approved alternative residential subdivisions plans (49.15.970). Title 49 does not, however, have a globally applicable pathway for amendments to approved permits. This text amendment would create a new section for "Amendments of approved permits" that applies to all zoning permits (except for exploration and mining), clarifies the differences between minor and major amendments, and allows the CDD Director to approve minor amendments. Major amendments would return to the original permit approval authority and would be required to repeat noticing and public hearing steps required for the original permit.

### Proposal Highlights

The proposal includes the following:

- The creation of 49.15.160 – Amendments of Approved Permits.
- The deletion of 49.15.660, 49.15.750, and 49.15.970 as they will be replaced by 49.15.160.
- Creation of an amendment request/application process.
- Defines a minor amendment as:
  - Not expanding or intensifying uses or structures beyond original approval;
  - Having an insignificant change in the outward appearance of the development;
  - Having an insignificant impact on surrounding properties;
  - Having an insignificant impact on the location of buildings;
  - Not impacting a feature that was the basis for conditions of approval or a feature specifically considered by the review authority in granting the original permit;
  - Not reducing parking below the original requirement; and
  - Not creating a delay of more than one year for the project's completion.
- Director has 15 working days to determine if an amendment is minor or major.
- Requires major amendments to return to the same review authority as the original approval with the same public notice and hearing requirements as the original permit.
- Exploration and mining permits are an exception to this new section, they are governed by Chapter 49.65 Article I – Exploration and mining permits.
- Appeal language is not included as 49.20.110 already covers appeals to the planning commission.
- Creation of 49.15.130(d) that clarifies how to deal with an incomplete application.



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TO: Mayor Weldon and Assembly  
FROM: Rob Dumouchel, Special Project Planning Manager  
THROUGH: Katie Koester, City Manager  
DATE: 14JAN25  
RE: Rules of Construction for Title 49

In a zoning code, like Title 49, the rules of construction contain guidelines for how words are to be used, how the code is to be interpreted, and how to resolve conflicts between different elements of the code. Rules for construction are commonly found in either the general provisions at the beginning of the code, or they are packaged with the definitions section. At this time, CBJ's rules of construction are located in section 49.80.110 which immediately precedes 49.80.120 – Definitions. I'm uncertain of the context in which 49.80.110 was created. It is not very comprehensive and does not add much value to those interpreting Title 49.

I am recommending the deletion of 49.80.110 – Rules of construction and the replacement of 49.05.140 – Interpretation with the creation of 49.05.140 - Rules of construction which is significantly more comprehensive. The proposed update provides more relevant definitions and resolves common ambiguities that arise in code interpretation which is intended to allow for the more efficient review and approval of permits.

The proposed update includes guidelines for the following:

- General interpretation of Title 49
- Cross reference to CBJ 01.15.020 regarding word usage and grammatical rules
- The use of lists
- Measurement of time
- Rules of rounding for fractions
- References to other documents and regulations
- The delegation of authority in the zoning code
- How to solve conflicts between provisions

Having a clear and comprehensive set of rules of construction is an important tool for the Community Development Department. This upgrade will allow the Director and staff to more efficiently and consistently interpret Title 49 which will likely improve the experience for permit applicants and reduce wait times for permit approvals. A future amendment will address the related concept of "rules of measurement" which are provisions that set rules for how developments are measured for compliance with zoning regulations (i.e. height, distances, etc.).

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Presented by: The Manager  
Presented: 01/27/2025  
Drafted by: Birch Horton

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2025-15 vCOW**

**An Ordinance Amending the Title 49 Land Use Code Relating to Rules of Construction, Permits, Equivalent Use Determinations, Determination of Minor Versus Major Developments, Accessory Dwelling Units, Caretaker Units, and Transition Zones.**

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

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment of Title.** Title 49, Land Use, is amended to read:

**TITLE 49 LAND USE**

...

**49.05.140 Rules of construction. Interpretation.**

- (a) General interpretation.
  - (1) All words, terms, and provisions in this title shall be interpreted in a manner consistent with the purpose and intent set out in CBJC 49.05.100.
  - (2) The director has authority to determine the interpretation or usage of terms used in this title, subject to appeal pursuant to the provisions of chapter 49.20.
- (b) Word usage and grammatical rules. Unless the context clearly indicates otherwise, the rules of construction found in CBJC 01.15.020 apply.
- (c) Headings, captions, and illustrations. In cases where text conflicts with any heading, table, figure, or illustration, the text controls.
- (d) Conjunctions.
  - (1) “And” means that all connected items, conditions, or provisions apply.



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(2) “Or” means that one or more of the connected items, conditions, or provisions apply.

(3) “And/or” means that the connected items may apply singularly or in any combination.

(4) “Either... or” means that the connected words or provisions apply singularly, but not in combination.

(e) Lists and examples.

(1) When terms such as “including,” “for example,” or “such as” are used, the examples provided are not exhaustive and do not limit other possible inclusions.

(2) Unless otherwise specifically indicated, the word “including” always means “including but not limited to.”

(3) Unless otherwise specifically indicated, a list does not imply a priority or chronological order.

(f) Measurement of time.

(1) References to “days” shall be interpreted as calendar days unless stated otherwise.

(2) Any computation of time shall exclude the first day and include the last day, unless the final day is a weekend or municipal holiday, in which case the period extends to the next business day.

(3) When business days are referenced, they include weekdays (Monday through Friday) but exclude holidays observed by the city and borough.

(g) Fractions.

(1) Unless otherwise stated, a fraction of one-half or more will be rounded to the next highest whole number and a fraction less than one-half will be rounded to the next lowest number.

(2) Unless otherwise stated, fraction calculations are to be truncated to two numbers past the decimal point and rounded. For example, 1.2345 would be rounded to 1.23 and 5.6789 would be rounded to 5.68.

(h) References to other regulations or documents. References to other laws, regulations, or documents shall be construed as referring to the latest version, unless otherwise specifically indicated.

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(i) Delegation of authority. Any act required to be performed by a specific official may be delegated to an authorized designee.

(j) Public officials and agencies. All references to public officials, bodies, and agencies shall refer to those of the city and borough unless otherwise specified.

(k) Conflicting provisions. In case of conflict between the provisions of this title, the more specific provision shall prevail. If no specific provision exists, the more restrictive provision shall prevail. If two provisions are equally specific, the more restrictive provision shall prevail.

~~All questions of interpretation of the provisions of this title may be treated as an appeal, pursuant to the provisions of chapter 49.20.~~

~~(Serial No. 87-49, § 2, 1987)~~

...

**49.15.130 Complete applications.**

(a) All applications for permits must be complete, signed and accompanied by the applicable fee before the permit-issuing authority can accept the application.

(b) An application is complete when it contains all of the information necessary to determine if the development will comply with all of the requirements of the permit applied for.

(c) Permit applications shall contain a permission form signed by the applicant and the property owner granting permission to City and Borough officials, employees, and agents to enter upon the site during reasonable hours, to examine and inspect the site as part of the permitting procedure.

(d) Incomplete applications will be rejected and notice regarding the incomplete status of the application will be sent to the address included on the application.

...

**49.15.160 Amendments of approved permits.**

(a) Request for amendment.

(1) A permitholder may request an amendment to an approved permit through an application on a form provided by the department.

(2) Application must be filed with any required fees, scale-drawn site plans and floor plans, and any other materials required by the department at the time of submittal.

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(3) The director will inform the permit holder within 15 business days of receipt of a complete request whether the request shall be processed as a minor amendment or major amendment.

(b) Minor amendment. The director may authorize minor amendments to approved permits if the changes:

- (1) Do not involve any expansion, intensification, or increase in size of the land use or structure beyond the original approval;
- (2) Would have an insignificant change in the outward appearance of the development;
- (3) Would have insignificant impacts on surrounding properties;
- (4) Result in insignificant modification in the location or siting of buildings or common open space;
- (5) Do not involve a feature of the project that was a basis for conditions of approval for the permit;
- (6) Do not involve a feature of the project that was a specific consideration by the review authority in granting the permit;
- (7) Do not reduce the number of parking spaces below that are required by the original permit; or
- (8) Do not create a delay greater than one year in the construction or completion schedule for the project or, in the case of a phased project, the phase for which the amendment is requested.

(c) Major amendment. All other amendments shall be reviewed by the same review authority as the original approval. The same public notice and hearing requirements that applied to the original approval also apply to the requested major amendment.

(d) Exceptions.

(1) Amendments related to exploration and mining permits are governed by Chapter 49.65, Article I. - Exploration and mining permits.

...

**49.15.660 Reserved. Amendments to approved planned unit development plan.**

(a) Request for amendment. The developer of a planned unit development may request an amendment to an approved preliminary or final planned unit development plan. The request shall state the reasons for the amendment and shall be submitted in writing to

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the director, who shall inform the developer within 15 days whether the request shall be processed as a minor amendment or major amendment.

~~(b) *Minor amendment.* A minor amendment may be submitted without a filing fee and may be approved by the director. For purposes of this section, a minor amendment is a change consistent with the conditions of the original plan approval, the general character of the overall planned unit development, and the criteria set out in subsection 49.15.630(d), and would result in:~~

- ~~(1) — Insignificant change in the outward appearance of the development;~~
- ~~(2) — Insignificant impacts on surrounding properties;~~
- ~~(3) — Insignificant modification in the location or siting of buildings or common open space;~~
- ~~(4) — No reduction in the number of parking spaces below that required;~~
- ~~(5) — A delay of no more than one year in the construction or completion schedule for the project or, in the case of a phased project, the phase for which the amendment is requested.~~

~~(e) *Major amendment.* All other amendments shall be reviewed by the commission upon payment of a filing fee and in accordance with the requirements of the original plan approval.~~

~~(Serial No. 97-12, § 2, 1997)~~

~~...~~

**49.15.750 Reserved. Amendments to approved cottage housing development plan.**

~~(a) *Request for amendment.* The developer of a cottage housing development may request an amendment to an approved preliminary or final cottage housing development plan. The request shall state the reasons for the amendment and shall be submitted in writing to the director, who shall inform the developer within 30 days whether the request shall be processed as a minor amendment or major amendment.~~

~~(b) *Minor amendment.* A minor amendment may be submitted without a filing fee and may be approved by the director. For purposes of this section, a minor amendment is a change consistent with the conditions of the original plan approval, the general character of the overall cottage housing development, and the criteria set out in this article, which would result in:~~

- ~~(1) — Insignificant change in the outward appearance of the development;~~

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- (2) — ~~Insignificant impacts on surrounding properties;~~
- (3) — ~~Insignificant modification in the location or siting of buildings or common open space;~~
- (4) — ~~No reduction in the number of parking spaces below that required;~~
- (5) — ~~A delay of no more than one year in the construction or completion schedule for the project.~~

(e) — ~~Major amendment. All other amendments shall be reviewed by the commission upon payment of a filing fee and in accordance with the requirements of the original plan approval.~~

(Serial No. 2005-52(b), § 3, 1-30-2006)

...

**49.15.970     Reserved. Amendments to approved alternative residential subdivision plan.**

(a) — ~~Request for amendment. The developer of an alternative residential subdivision may request an amendment to an approved preliminary or final alternative residential subdivision plan. The request shall state the reasons for the amendment and shall be submitted in writing to the director, who shall inform the developer within 15 days whether the request shall be processed as a minor amendment or major amendment.~~

(b) — ~~Minor amendment. A minor amendment may be submitted without a filing fee and may be approved by the director. For purposes of this section, a minor amendment is a change consistent with the conditions of the original plan approval, and would result in:~~

- (1) — ~~Insignificant change in the outward appearance of the development;~~
- (2) — ~~Insignificant impacts on surrounding properties;~~
- (3) — ~~Insignificant modification in the location or siting of buildings or open space;~~
- (4) — ~~No reduction in the number of parking spaces below that required;~~
- (5) — ~~A delay of no more than one year in the construction or completion schedule for the project or, in the case of a phased project, the phase for which the amendment is requested.~~

(e) — ~~Major amendment. All other amendments shall be reviewed by the commission upon payment of a filing fee and in accordance with the requirements of the original plan approval.~~

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(Serial No. 2018-41(c), § 2, 12-17-2018, eff. 1-17-2019)

...

**49.20.320 Use not listed.**

(a) The director may determine that a use not specifically listed in the table of permissible uses may be permitted if all the following findings can be made:

(1) The use is consistent with the Comprehensive Plan and other relevant officially adopted plans;

(2) The use will not be detrimental to public health, safety, or welfare;

(3) The use is consistent with the intentions of the underlying zone district;

(4) The use is similar to other uses allowed in the underlying zone district;

(5) The density or intensity of the use is similar to other uses in the underlying zone district; and

(6) The use is compatible with principally and conditionally permitted uses in the underlying zone district.

(b) When the director determines that a proposed use is equivalent to a listed use, the proposed use will be treated in the same manner as the listed use with respect to development standards, permits required, and all applicable requirements of Title 49.

(c) Director determinations will be in writing and maintained by the department for public review.

(d) The director may refer any equivalent use determination to the planning commission for review and final decision.

(e) Equivalent use determinations by the director may be appealed to the planning commission.

~~After public notice and a hearing, the planning commission may permit in any district any use which is not specifically listed in the table of permissible uses but which is determined to be of the same general character as those which are listed as permitted in such district. Once such determination is made, the use will be deemed as listed in the table of permissible uses.~~

~~(Serial No. 87-49, § 2, 1987; Serial No. 2021-19, § 5, 8-2-2021, eff. 9-1-2021)~~

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**49.25.250 Waterfront districts.**

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The following districts are established to accommodate those uses that are dependent or directly related to the water, a waterfront location, or both. These districts regulate development of the waterfront to take advantage of the unique attributes and limitations of its lands:

...

(b) The WI, waterfront industrial district, is intended for industrial and port uses which need or substantially benefit from a shoreline location. In addition, many of the uses that are allowed in the WC, waterfront commercial district, are also allowed in the WI, waterfront industrial district. Residential uses are limited to permitted caretaker units residences in the waterfront industrial district.

...

**49.25.300 Determining uses.**

...

(c) A combination of digits such as "1, 3" or "2, 3" indicates that the approval procedure for the identified use in the identified zone will vary depending on whether the project is a major or minor development.

(1) If the project is a minor development the first number of the combination shall indicate the applicable procedure.

(2) If the project is a major development the second number shall indicate the applicable procedure.

(3) Minor development means development which is classified by zoning district as follows:

(A) Any combination of the following within the rural ~~Rural~~ reserve district: A residential development containing two or fewer dwelling units; ~~two or fewer bedrooms leased on a daily or weekly basis, or~~ a nonresidential building totaling less than 10,000 square feet or using less than one acre of land in total; any accessory dwelling units (ADUs) compliant with CBJC 49.25.512.

(B) Any combination of the following within single-family ~~Single-family~~ residential districts: A residential development containing two or fewer dwelling units on a lot; ~~two or fewer bedrooms leased on a daily or weekly basis, or~~ a nonresidential building totaling less than 5,000 square feet or using less than 10,000 square feet of land in total; any accessory dwelling units (ADUs) compliant with CBJC 49.25.512.

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- (C) Any combination of the following within multifamily ~~Multifamily~~ residential districts: A residential development that meets the density standards of the underlying zone district; ~~containing eight or fewer dwelling units, eight or fewer bedrooms leased on a daily or weekly basis,~~ or a nonresidential building totaling less than 5,000 square feet or using less than 10,000 square feet of land in total; any accessory dwelling units (ADUs) compliant with CBJC 49.25.512.
- (D) Any combination of the following within commercial ~~Commercial~~ and mixed use districts: A residential development that meets the density standards of the underlying zone district; ~~containing 12 or fewer dwelling units, 12 or fewer bedrooms leased on a daily or weekly basis,~~ or a nonresidential building totaling less than 10,000 square feet or using less than one-half acre of land in total; any accessory dwelling units (ADUs) compliant with CBJC 49.25.512.
- (E) Any combination of the following within industrial ~~Industrial~~ districts: Non-residential buildings totaling 15,000 square feet or using less than one acre of land in total; accessory caretaker units compliant with CBJC 49.25.514.

- (4) “Major development” means all development activity that is not a minor development.
- (5) *Exceptions.* Exceptions to the use of minor and major development classifications as a method of determining the applicable approval procedure shall be as noted in the table of permissible uses.

...

TABLE OF PERMISSIBLE USES – CBJC 49.25.300

Use Description		Zones																
		RR	D-1	D-3	D-5	D-10SF	D-10	D-15	D-18	LC	GC	MU	MU2	MU3	NC	WC	WI	I
...																		
1.110	Single-family detached, one dwelling per lot	1	1	1	1	1	1	1	1	1	1	1	1	1			1A	1A
...																		
1.130	Single-family detached, accessory apartment	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3			1,3		
1.140	Single-family detached, two dwellings per lot,	1,3	1,3	1,3														

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		accessory apartment																	
	1.150	Caretaker unit																1	1
	...																		
	1.815	Caretakers mobile Mobile homes on individual lots outside of mobile home parks <sup>E</sup>	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3-1A	3-1A
	...																		
	1.911	Accessory apartments dwelling units	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,3		
	...																		
	1.930	Two dwelling unit structures allowed under special density considerations, subsections 49.25.510(h) 49.25.512			3	3	31	31	31	31	31	1	1	31	1	1	1		

- ...
- A. A mobile home may only be used as a caretaker unit which complies with CBJC 49.25.514. A single family residence is allowed as an owner or caretaker residence that is accessory to an existing permitted use in the industrial zone.
- ...
- E. See special use regulations for mobile homes, chapter 49.65, article III.
- ...
- X. Special requirements apply to accessory ~~apartment~~ dwelling unit applications. See CBJC § ~~49.25.510(k)~~ 49.25.512.
- ...
- 49.25.510 Special density considerations.**
- ...
- ~~(k) — Accessory apartments. No person shall construct or maintain an accessory apartment except in accordance with a permit issued under this section.~~
- ~~(1) — Application. Accessory apartment applications shall be submitted on a form provided by the director and shall include:~~

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- (A) ~~A completed application form;~~
- (B) ~~The application fee required by chapter 49.85;~~
- (C) ~~A site plan drawn to scale or dimensioned indicating all required parking, minimum setbacks, and actual lot size; and~~
- (D) ~~A floor plan drawn to scale or dimensioned indicating all dwelling units and including each room labeled as to use;~~
- (E) ~~A statement that the property is connected to sewer. If the property is not connected to sewer, a statement from the department of environmental conservation confirming that the existing wastewater disposal system is sufficient for the development, including the proposed accessory apartment, and a statement from a qualified inspector that the existing wastewater disposal system is functioning as designed.~~

~~(2) Approval standards.~~

- (A) ~~Unless otherwise provided, the accessory apartment shall be a one-bedroom or efficiency unit not exceeding 600 square feet in net floor area.~~
- (B) ~~Areas common to more than one dwelling unit including entry ways, furnace rooms, laundry rooms, and interior stairways shall not be included in the computation of the net floor area for the accessory apartment.~~
- (C) ~~The minimum lot size as used in this section refers to the minimum lot size for permissible uses listed in the table of dimensional standards, CBJ 49.25.200.~~
- (D) ~~A permit under this subsection may be issued if the applicant establishes:~~
  - (i) ~~The development meets all setback requirements;~~
  - (ii) ~~The total building footprint does not exceed the maximum lot coverage allowable under section 49.25.400, the table of dimensional standards, or, in the case of nonconforming structures, the total building footprint does not increase with the proposed accessory apartment;~~
  - (iii) ~~The development does not violate the vegetative cover requirements imposed by section 49.50.300; or, in the case of nonconforming structures, the proposed accessory apartment does not decrease the existing vegetative cover;~~

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- ~~(iv) — The development meets the parking standards required by chapter 49.40; and~~
- ~~(v) — The development is connected to public sewer or the existing wastewater disposal system has adequate capacity for the development, including the proposed accessory apartment.~~
- ~~(E) — Single family detached accessory apartment approval.~~
  - ~~(i) — The director may approve a 49.25.300.1.130 accessory apartment application if all of the requirements of this section and the following are met:~~
    - ~~(a) — The application is for an efficiency or one bedroom unit that does not exceed 600 square feet in net floor area and is on a lot that exceeds the minimum lot size; or~~
    - ~~(b) — The application is for an efficiency, one bedroom, or two bedroom unit that has a net floor area equal to or less than 50 percent of the primary dwelling unit's net floor area but not to exceed 1,000 square feet, and is on a lot that exceeds 125 percent of the minimum lot size.~~
  - ~~(ii) — The commission may approve, with a conditional use permit, a 49.25.300.1.130 accessory apartment application if all of the requirements of this section and the following are met:~~
    - ~~(a) — The application is for an efficiency or one bedroom unit that does not exceed 600 square feet in net floor area, and is on a lot that is less than the minimum lot size; or~~
    - ~~(b) — The application is for an efficiency, one bedroom, or two bedroom unit that has a net floor area equal to or less than 50 percent of the primary dwelling unit's net floor area but not to exceed 1,000 square feet, and is on a lot that exceeds 125 percent of the minimum lot size.~~
  - ~~(iii) — An application for an accessory apartment with a net floor area that exceeds 600 square feet shall not be approved on a lot that is less than 125 percent of the minimum lot size.~~
- ~~(F) — Single family detached, two dwellings per lot, accessory apartment approval.~~

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(i) — ~~When a lot has two primary dwelling units, each primary dwelling unit may have up to one accessory apartment that is consistent with the requirements of this section. The lot shall not have more than two accessory apartments.~~

(ii) — ~~An application for an accessory apartment with a net floor area that exceeds 600 square feet shall not be approved on a lot that is less than 250 percent of the minimum lot size.~~

(iii) — ~~The director may approve a 49.25.300.1.140 accessory apartment application if all of the requirements of this section and the following are met:~~

(a) — ~~The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, is on a double sized lot (two times the minimum lot size), and the lot does not have another accessory apartment in excess of 600 square feet in net floor area; or~~

(b) — ~~The application is for an efficiency, one bedroom, or two-bedroom unit that has a net floor area equal to or less than 50 percent of the primary dwelling unit's net floor area but not to exceed 1,000 square feet, on a lot that exceeds 250 percent of the minimum lot size, and the lot does not have more than one other accessory apartment in excess of 600 square feet in net floor area.~~

(iv) — ~~The commission may approve, with a conditional use permit, a 49.25.300.1.140 accessory apartment application if all of the requirements of this section and the following are met:~~

(a) — ~~The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, is on a lot that is less than the minimum lot size, and the lot does not have another accessory apartment in excess of 600 square feet in net floor area;~~

(b) — ~~The application is for an efficiency, one bedroom, or two-bedroom unit that has a net floor area equal to or less than 50 percent of the primary dwelling unit's net floor area but not to exceed 1,000 square feet, is on a lot that exceeds 250 percent of the minimum lot size, and where the lot does not~~

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~~have more than one other accessory apartment in excess of 600 square feet in net floor area.~~

~~(G) Multifamily dwelling and accessory apartment approval. Unless authorized by this section, an accessory apartment is prohibited in multifamily, commercial, and mixed-use zoning districts.~~

~~(i) The director may approve a 49.25.300.1.300 accessory apartment application if all the requirements of this section and the following are met:~~

~~(a) The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, is on a lot that exceeds the minimum lot size, and the primary use of the lot is a single family dwelling.~~

~~(ii) The commission may approve, with a conditional use permit, a 49.25.300.1.300 accessory apartment application if all of the requirements of this section and the following are met:~~

~~(a) The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, is on a lot that is less than the minimum lot size, and the primary use of the lot is a single family dwelling.~~

~~(H) Common wall accessory apartment approval.~~

~~(i) Each common wall dwelling may have up to one accessory apartment that does not exceed 600 square feet in net floor area and that is consistent with the requirements of this section.~~

~~(ii) The director may approve a 49.25.300.1.911 accessory apartment application if all of the requirements of this section and the following are met:~~

~~(a) The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, and is on a lot that exceeds the minimum lot size.~~

~~(iii) The commission may approve, with a conditional use permit, a 49.25.300.1.911 accessory apartment application if all of the requirements of this section and the following are met:~~

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~~(a) — The application is for an efficiency, or one bedroom unit that does not exceed 600 square feet in net floor area, and is on a lot that is less than the minimum lot size.~~

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**49.25.512 Accessory dwelling units (ADUs).**

(a) Permit. An ADU permit is required for the creation of an ADU.

(1) ADU permits require an application. The application must be completed and submitted to the Department on a form provided by the Department

(2) An application must be filed with any required fees, scale-drawn site plans and floor plans, and any other materials required by the Department at the time of submittal to be considered complete. Incomplete applications will not be considered.

(b) ADU development standards. ADUs are subject to the following development standards:

(1) Density. ADUs are exempt from the density requirements of the underlying zone district.

(2) Number of ADUs.

(A) One ADU per principally permitted residence is allowed and up to two ADUs per parcel.

(3) Relationship to principal structures.

(A) An ADU may be within, attached to, or detached from a single- or multi-family residential structure.

(B) An ADU must contain complete independent living facilities for one or more people.

(C) If a lot contains an existing single-family home 1000 square feet in size or less, the existing home may be designated as an ADU as part of a project to construct a new single-family home on the lot.

(4) Lot size, lot coverage, height, and setbacks.

(A) ADUs are not subject to minimum lot size or minimum lot width standards.

(B) ADUs are subject to the same lot coverage standards that apply to primary dwellings in the underlying zone district.

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- (C) ADUs are subject to the same height standards that apply to primary dwellings in the underlying zone district.
- (D) ADUs are subject to the same front and side setbacks that apply to primary dwellings in the underlying zone district.
- (E) ADUs are subject to a minimum 10-foot rear yard setback. If the underlying zone district’s rear yard setback standard is less than 10 feet, the smaller setback applies.
- (F) ADUs created through the conversion of an existing legal structure which does not conform to height and setback standards are considered to be in compliance if the conversion does not make the existing legal structure more nonconforming.

(5) Maximum unit size.

- (A) A detached ADU may not exceed 1000 square feet in net floor area.
- (B) An attached ADU may not exceed 1000 square feet or 40% of the floor area of the principal residential structure, whichever is greater.
- (C) Areas common to more than one dwelling unit – including entry ways, furnace rooms, laundry rooms, and interior stairways – are not to be included in net floor area calculations.

(6) Parking. ADU parking is governed by 49.40.210 with the following exception:

- (A) When an existing covered parking space is converted into living space for an ADU, replacement parking is not required for the eliminated parking space.

**49.25.514 Caretaker units.**

- (a) Permit. A permit is required for the creation of a caretaker unit.
  - (1) Caretaker unit permits require an application. The application must be complete and submitted to the Department on a form provided by the Department.
  - (2) An application must be filed with any required fees, scale-drawn site plans and floor plans, and any other materials required by the Department at the time of submittal to be considered complete. Incomplete applications will not be considered.
- (b) Caretaker development standards. Caretaker units are subject to the following development standards:

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- (1) Accessory use.
  - (A) The caretaker unit, whether attached or detached to a principal structure, is an accessory use to the principal use of the lot upon which it is located
- (2) Residency.
  - (A) In order to qualify as a caretaker unit under this Code, the unit must be used exclusively as a residence by a caretaker and their family.
- (3) Lot size, lot coverage, height, and setbacks.
  - (A) Caretaker units are subject to the lot coverage, height, and setback requirements of the underlying zone district.
  - (B) Caretaker units are exempt from lot size requirements of the underlying zone district.
- (4) Density.
  - (A) Caretaker units are exempt from density requirements of the underlying zone district.
- (5) Number of caretaker units.
  - (A) One caretaker unit per lot is allowed.
- (6) Size.
  - (A) The maximum size of a caretaker unit is 2000 square feet in net floor area
  - (B) For attached caretaker units, areas shared with the principal use – including entry ways, furnace rooms, laundry rooms, storage areas, garages, workspaces, and interior stairways – are not to be included in the computation of the net floor area.

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**49.40.210 Number of off-street parking spaces required.**

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Use	Spaces Required in All Other Areas	Spaces Required in Town Center Parking Area
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Accessory apartment dwelling unit	1 per each unit; 0 per each unit if located within 1 mile of a public	0 per each unit



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	<u>transit stop (see CBJC 49.25.512)</u>	
<u>Caretaker unit</u>	<u>0 per each unit</u>	<u>0 per each unit</u>
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**49.65.300 Mobile homes on individual lots.**

Mobile homes may be located on individual lots outside of mobile home parks or mobile home subdivisions only under the following conditions and after issuance of a building permit:

- (1) A mobile home may be used as a temporary structure during construction of a dwelling on a lot. Occupancy of the mobile home is permitted only after issuance of a building permit for the dwelling under construction and only if construction commences within 120 days of issuance of the permit.
- (2) Mobile Homes which meet the building code and zoning requirements applicable to permanent construction may be located on any lot in the same manner.
- (3) Caretaker units within industrial zone districts that comply with CBJC 49.25.514.
- (4) ~~(3)~~ The commission may issue a conditional use permit for a single mobile home used as an ordinary residence on an individual lot in the RR, rural reserve district, and the D1 and D3, residential districts, ~~or used as a caretaker residence in any district.~~

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**49.65.630 Construction standards.**

- (a) Construction on bungalow lots shall be limited to the following:
  - (1) One detached single-family dwelling with a net floor area not to exceed 1,000 square feet, and in addition, no more than 300 square feet, net floor area, of enclosed storage space such as garages, carports or sheds.
  - (2) A single attached accessory dwelling unit may be constructed within the allowable footprint of a single-family dwelling, to include the conversion of a covered parking area.
  - (3)~~(2)~~ Structures on bungalow lots shall not exceed 25 feet in height, as measured under section CBJC 49.25.420.
  - (4)~~(3)~~ Area calculations for staircases and elevators:

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(A) Up to 100 square feet of the footprint of interior staircases and elevators shall not be counted toward the net floor area of the dwelling.

(B) The footprint of exterior staircases or elevators providing access to floors above the ground floor shall be counted toward the net floor area of the dwelling.

~~(5)~~(4) Up to 100 square feet of a second story deck shall not be counted toward the net floor area.

~~(6)~~(5) The primary entrance must be separate from the garage or carport, and where practicable, must be clearly visible from the street providing access. Where such visibility is not practicable, a pedestrian path must be provided from the street to the primary entrance.

(b) The following dwelling types shall be prohibited on bungalow lots:

- (1) ~~Detached accessory dwelling units~~ Accessory apartments
- (2) Mobile homes
- (3) Recreational vehicles
- (4) Bed and breakfast or boarding houses

...

**49.70.720 Zoning upgrade.**

~~For lands located within a transition zone, the zoning will be upgraded to the higher density classification at the time public water, sewer or other required improvements are provided according to the following procedures:~~

~~(1) Procedure. A zoning upgrade in a transition zone may be initiated by either of two different procedures:~~

~~A. The applicant for a major development permit in a transition zone may make a concurrent request for a zoning upgrade. The plans accompanying the development permit application shall be based upon the density requested. A request for a zoning upgrade shall include preliminary plans and a determination by a certified engineer that such improvements are feasible.~~

~~B. The planning commission may initiate a zoning upgrade if the public sewer, water, or other required improvements already exist or will be provided by the City and Borough.~~

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(2) ~~Hearing and decision.~~

A. ~~Hearing.~~ The commission shall consider the upgrade at a hearing upon notice provided in accordance with section ~~49.15.230~~. The commission shall base its decision to grant the upgrade on the determination of the feasibility of providing public water, sewer, and other required improvements. The staff report to the commission shall include a review of the plans and a feasibility report by the City and Borough engineer. The feasibility of providing public services shall consider the ability of the existing sewer and water system to handle the increased demand created by the proposed development.

B. ~~Decision.~~

(a) The director will have the authority to upgrade the zoning of a parcel located within a transition zone from a lower density classification to a pre-determined higher density classification once public water, sewer, or other required improvements are provided to the parcel. The director may also upgrade zoning in cases where an approved development project will provide the required services.

~~(b)(a)~~ The ~~commission~~ may grant a zoning upgrade only to the classification indicated by the prefix (T) on the official zoning maps. A change to any other classification, or to the classification indicated by the prefix (T) on the official zoning maps before meeting the public improvement requirements for rezoning, shall be considered pursuant to section 49.75.130.

~~(b)~~ The commission shall determine the boundary of the area to be upgraded.

~~(e)~~ If the public water, sewer or other required improvements are not constructed or bonded, the commission may grant only conditional approval to the zoning upgrade request. The effective date of the zoning upgrade will be the date of final acceptance or bonding of the improvements.

...

**49.80.110 Reserved. Rules of construction.**

For the purpose of this title, certain terms or words shall be interpreted as follows:

(a) ~~“Sign, major”~~ means a sign which requires a permit and review by the department.

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- (b) —“Sign, minor” means a sign which does not require a permit or review by the department, but which must meet the requirements and standards set forth in chapter 19.45.
- (e) —“Used” or “occupied” as applied to any land or building shall be construed to include the words “intended,” “arranged,” or “designed” to be used or occupied.

**49.80.120 Definitions.**

The following words, terms and phrases, when used in this title, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

...

~~*Accessory apartment* means one or more rooms with private bath and kitchen facilities comprising of an independent, self-contained dwelling unit or attached to a single family dwelling or in a detached building on the same lot as the primary dwelling unit. An accessory apartment is distinguishable from a duplex in that, unlike a duplex, it is clearly subordinate to the primary dwelling unit, both in use and appearance.~~ *Accessory dwelling unit (ADU)* means an attached or detached residential dwelling unit with complete independent living facilities for one or more persons. An ADU includes permanent provisions for living, sleeping, eating, cooking, and bathing on the same parcel as an existing or proposed residential use.

...

*Caretaker unit* means a residential dwelling unit, either attached or detached, in a non-residential zone district, which is designated for the occupancy of one or more persons who provide oversight, security, or maintenance services on the same property where the caretaker unit is located.

...

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

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Beth A. Weldon, Mayor

Attest:  
  
\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk

# JUNEAU POLICE DEPARTMENT

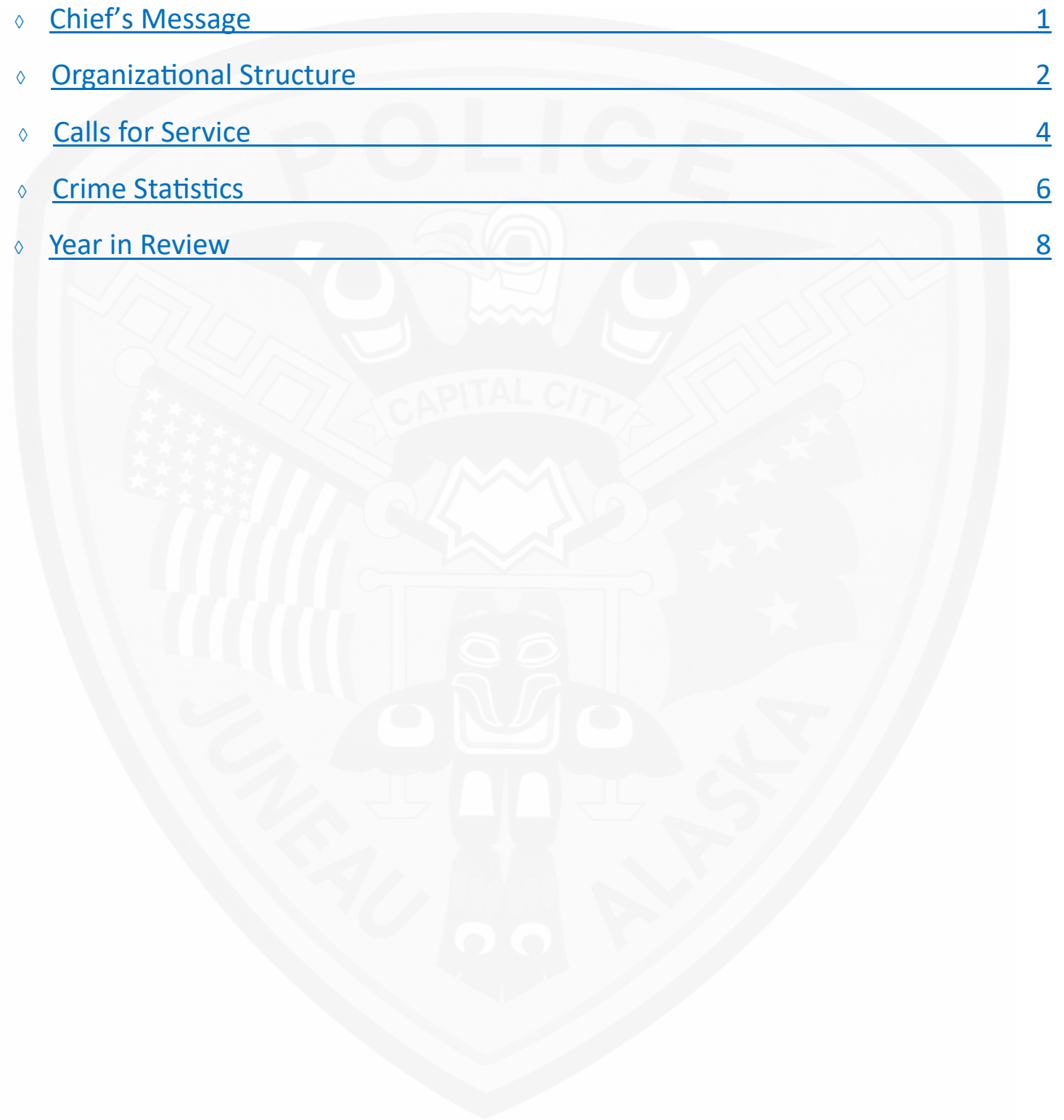
## 2024 ANNUAL REPORT



In partnership with the people of Juneau, the mission of the Juneau Police Department is to make our city a place where people can live safely and without fear of crime.

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## Chief's Message

It is my pleasure to present the 2024 Juneau Police Department annual report. In the following pages, you will learn about the structure and work of JPD, although it is really the people of JPD that make all the difference. The theme of 2024 could best be described as reimagining and reshaping the JPD culture.

Many changes took place in the leadership ranks of JPD in 2024; at the command level, I started as Chief in February, Krag Campbell promoted to Deputy Chief at the same time. Later in the spring, Nick Garza and Matt DuBois were promoted as Commanders, rounding out our cadre of Command staff. This fall Mareta Weed was promoted to Records Supervisor, and three officers, Carl Lundquist, Lee Phelps, and Mike Wise, were promoted to Sergeants. With this much change in our ranks coupled with the amazing caliber of people we have here at JPD, positive culture growth was certain to take place.

Always in pursuit of strengthening our community bond, I see that with a positive atmosphere and institutional support for our staff, our community relationships are indeed growing to new levels. Embracing the wellness of the whole person continues to sustain our path forward into 2025, and I expect our community relationships shall continue to strengthen and grow because of the new culture here at JPD.

Certainly not without setbacks and challenges, 2024 is a year marked as a defining year in the future growth and strength of JPD. When I look back at the past year, it is humbling to say the least, to be a part of the amazing group of people that make up JPD. Without question, each and every member of JPD loves the community and embraces the calling to serve the people of Juneau.

Humbled and Blessed to serve,

Chief Derek Bos

# Organizational Structure

The Juneau Police Department is staffed by 78 dedicated employees spread across Records, Evidence, Information Technology, Administration, Dispatch, Patrol, Detectives, School Resource Officers, Community Service Officers, and Civilian Investigators. When fully staffed, JPD should have 96 Full Time Employees (FTEs).

We have significant vacancies throughout the department, including 21 Police Officers, 4 Dispatchers, 2 Community Service Officers, and 3 Administrative positions. There is some hope on the horizon, with 11 Police Officers and 1 Dispatcher in training.

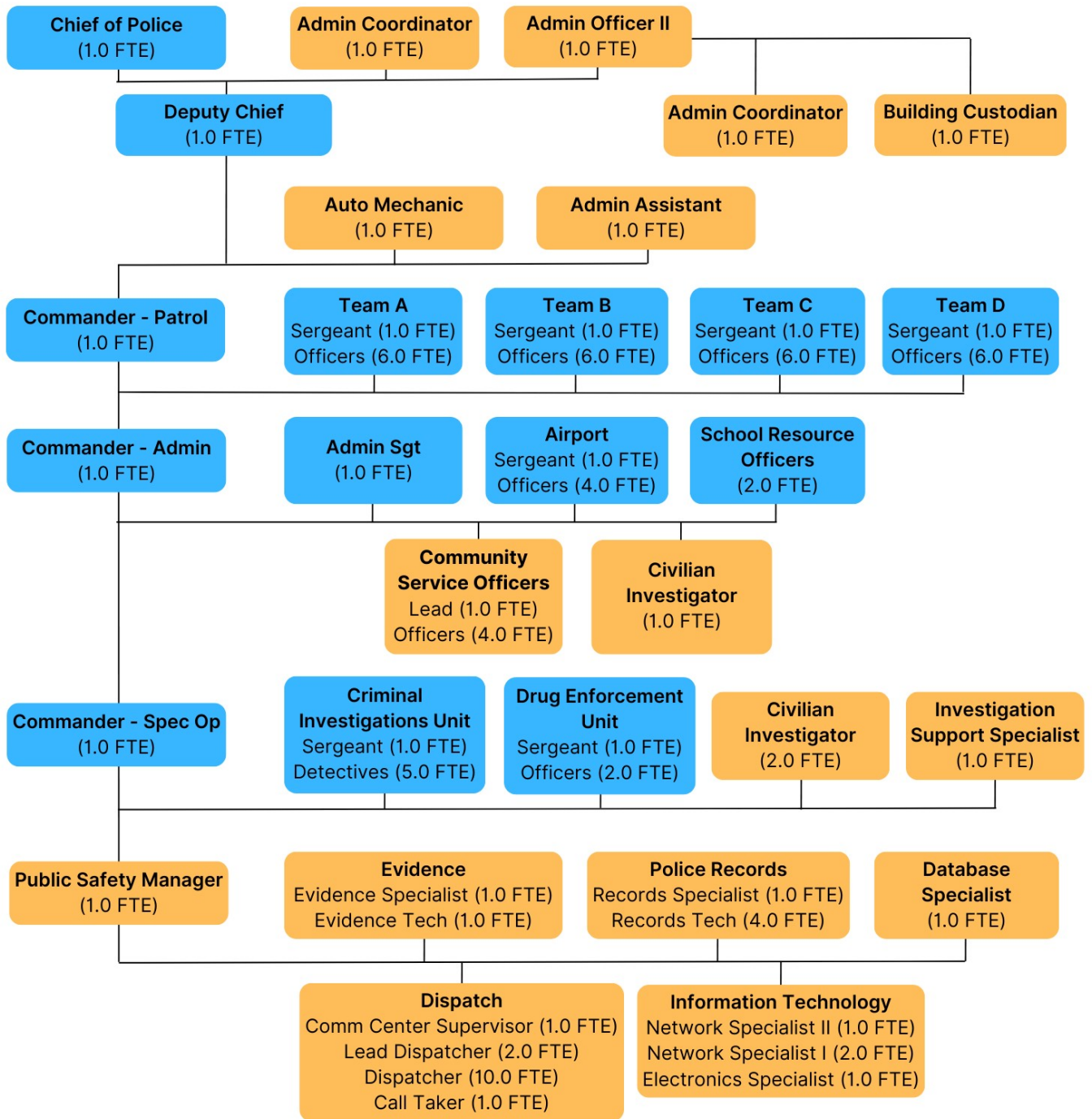
The organizational chart on the following page shows how the Chain of Command is applied throughout the Department.





## ORGANIZATIONAL CHART

## JUNEAU POLICE DEPT



**Org Placement to be determined**  
4.0 Officer FTEs

Blue = Sworn

Orange = Civilian

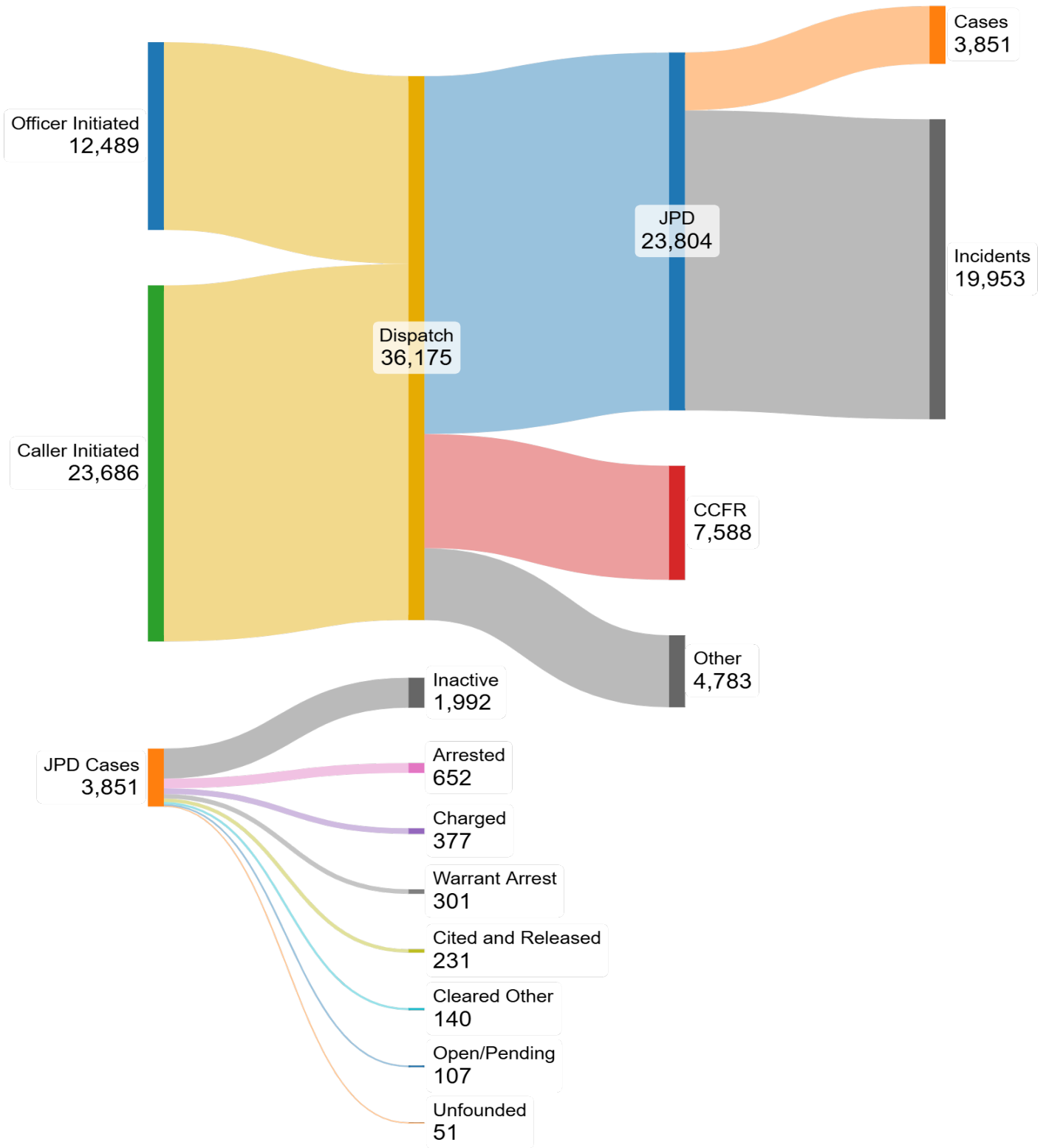
Positions	FTEs	Vacancies	In Training
Sworn	54	21	11
Dispatch	14	4	1
CSO	5	2	0
Admin	23	3	0

## Calls For Service

Public Safety Dispatchers employed by the Juneau Police Department handle a wide variety of calls. Generally, a “Call for Service” is initiated by an Officer doing proactive work, or by a member of the public who needs assistance for themselves or someone else. Depending on the nature of call received, or who initiated the call, a Dispatcher may manage the call themselves, or assign JPD or Capital City Fire/Rescue responders. Some calls that come into the Communications Center are handled by a Dispatcher by routing or coordinating responses with outside agencies such as the Coast Guard, Alaska State Troopers, Fish and Game, or the Alaska Careline/988.

When an officer or responding unit is attached to a call, the “Call for Service” becomes an “Incident”. If an Officer finds that a crime was committed or the incident requires formal documentation for another reason, the Incident is turned into a “Case”. Cases are not always the result of criminal activity, and they may be used for documentation purposes.

The chart on the following page shows the flow of incoming calls through the Communications Center and out to the appropriate agency. It also shows the disposition of those calls that were turned into JPD cases.



Made at SankeyMATIC.com

## Crime Data

The National Incident-Based Reporting System (NIBRS) divides criminal offenses into 28 Group A offenses and 10 Group B offenses. The Group A offenses are the more serious crimes, such as Murder, Rape, Robbery, Arson, Burglary and Drug Violations. Group B offenses tend to be minor in nature, such as Violating Conditions, Disorderly Conduct, Driving Under the Influence and Trespass.

For each of the Group A offenses reported, JPD collects administrative, offense, property, victim, offender, and arrestee information. Only arrest data is collected for the 10 Group B offenses.

The Juneau Police Department (JPD) strives to report crime data to NIBRS as quickly as possible. While the goal is to have nearly real time data, the reality is that reporting this information takes extensive time and resources. As of writing this report, JPD has NIBRS data for January 2024 through June 2024. An amendment to this Annual Report will be provided when crime data for the full year is available.

The chart on the following page shows Group A crimes reported by JPD for the same period (January-June) in 2023 and 2024.

Crimes Against Persons Jan-Jun	Jan-Jun 2024	Jan-Jun 2023
Murder	0	0
Negligent Manslaughter	0	2
Justifiable Homicide	0	0
Non-consensual Sex Offenses:		
Rape	12	22
Sodomy	5	4
Sexual Assault with Object	3	2
Fondling	9	11
Aggravated Assault	61	48
Simple Assault	153	140
Intimidation	17	39
Kidnapping/Abduction	0	0
Consensual Sex Offenses:		
Incest	0	0
Statutory Rape	0	0
Human Trafficking, Commercial Sex Acts	0	0
Human Trafficking, Involuntary Servitude	0	0
<b>Crimes Against Persons Total</b>	<b>260</b>	<b>268</b>
Crimes Against Property Jan-Jun	Jan-Jun 2024	Jan-Jun 2023
Robbery	10	9
Burglary/Breaking & Entering	67	48
Larceny/Theft Offenses	262	310
Motor Vehicle Theft	30	23
Arson	5	4
Destruction Of Property	133	142
Counterfeiting/Forgery	9	5
Fraud Offense	63	47
Embezzlement	3	6
Extortion/Blackmail	0	2
Bribery	0	0
Stolen Property Offenses	0	0
<b>Crimes Against Property Total</b>	<b>582</b>	<b>596</b>
Crimes Against Society Jan-Jun	Jan-Jun 2024	Jan-Jun 2023
Drug/Narcotic Violations	11	33
Drug Equipment Violations	0	1
Gambling Offenses	0	0
Pornography/Obscene Material	2	10
Prostitution	0	0
Weapons Law Violation	3	15
Animal Cruelty	0	2
<b>Crimes Against Society Total</b>	<b>16</b>	<b>61</b>

## Year in Review

The year was kicked off with the first ever JPD Wellness Expo, an official start to our Wellness Program that had been developed and soft launched throughout 2023. JPD's Wellness Program provides free mental health counseling services to all employees and their families, annual mental health and resiliency training, a 16-person Peer Support Team that serves both employees and significant others, an in-house wellness room, and Critical Incident Stress Management (CISM) services for employees and significant others when critical incidents occur. It is not the first of its kind, but it is on par with the most robust wellness programs in the country.

As you read in the Chief's Message, changes in leadership occurred throughout the first quarter of the year, with Derek Bos being sworn in as the new Chief of Police, Krag Campbell being promoted from Lieutenant to Deputy Chief, and Sergeants Nick Garza and Matt Dubois being promoted to Commander (the title "Commander" replaced the title "Lieutenant" in 2024, although the position description remained the same). The last quarter of the year also saw Officers Carl Lundquist, Lee Phelps, and Mike Wise promoted to Sergeant, and Records Technician Mareta Weed promoted to Records Supervisor.

Strong recruiting efforts that started in 2023, including the use of a recruiting firm, led to an increase in hirings for both Sworn and Non-Sworn employees in 2024. In total, 13 Sworn and 3 Non-Sworn employees were hired in 2024. Unfortunately, we also experienced the retirements of three long-standing employees, and the departure of many more. Commander Scott Erickson retired after 28 years of service, Sergeant Chris Gifford retired after 25 years of service, and Records Supervisor Cindy Ruby retired after 20 years of service. In total, 8 Sworn and 4 Non-Sworn employees left JPD in 2024. We are forever grateful for the sacrifices our departing employees made to this community and department throughout their careers.

Many employees were presented with Awards throughout the year. They included:

Dispatcher of the Year—Alex Vicario

Officer of the Year—Terry Allen

Civilian of the Year—Jacob Gentry

Leader of the Year—Jeremy Weske

Life-Saving Medals—Sergeants Nick Garza and Brian Dallas, Officers Jonah Hennings-Booth, Patrick Vaughan, Austin Thomas, Duain White, Steve Scherrer, Beckett Savage (x2), and Frank Dolan, Dispatchers Tonya Kurtz, Alyssa Storbeck, and Community Services Officer Alisha Sell.

Outstanding Police Service Medal—Posthumously awarded to Detective Daniel Darbonne.

Dispatcher Sara Dallas was named Dispatcher of the Year by Capital City Fire and Rescue (CCFR).

Retired Officer Tom McGrann and Officer Hannah Malone were each awarded a Medal of Valor for a 2019 incident. Dispatchers Christy Smith and Sara Dallas were awarded Outstanding Police Service Medals for the same incident.

Southeast Cities Against Drugs (SEACAD) was recognized as the Agency of the Year for Alaska by the Western States Information Network (WSIN).

## Year in Review

JPD puts a premium on family engagement, and 2024 was no different with a lot of help from the JPD Auxiliary, a non-profit organization that focuses on supporting the department and families, the JPD Wellness Program, and the Peer Support Team. We reinstated our annual Awards Banquet (a Covid-19 casualty), we had three family movie events where we partnered with Gross Alaska Theaters to rent out the Theater for private showings, had a Building Resilient Families training hosted by Anchor Counseling and Consulting, the annual summer picnic, the Halloween Trick-or-Treat and Pumpkin Carving event, and the annual Holiday Party and Gingerbread House competition.

We also got out for some community events throughout the year. We joined the Alaska Peace Officers' Association (APOA) for the Police Memorial Service, the annual Guns v. Hoses softball and hockey matches, and Shop with a Cop. We had a Coffee with a Cop event at the University of Alaska Southeast and joined with the City and Borough of Juneau for their Trucks N' Stuff event. Unfortunately, we were unable to participate in the National Night Out event that we've grown to love due to the city-wide flood response, but we are looking forward to participating again in 2025.

This was a year of growth and strength for the Juneau Police Department. We look forward to continuing to focus on the well-being of our employees and families while making meaningful and lasting connections with the community we serve in 2025.

Thank you all for your continued support.

# MEMORANDUM



155 Heritage Way  
One Sealaska Plaza  
Suite 202  
Juneau, AK 99801  
Phone: (907) 586-5242

**DATE:** 1/27/2025  
**TO:** Assembly  
**FROM:** Emily Wright, City Attorney  
**SUBJECT:** 2025-07 Ordinance Summary

Code language for abandoned and wrecked/junk vehicles is currently found in CBJC 36.30 (Litter), 72.02 (Rules of the Road), 72.22 (Penalties and Arrests), 72.23 (Impound), and 72.28 (Definitions). To simplify and clarify for both our department and our community members, the new code moves all language into Chapters 72.23 and 72.28, and appropriately re-titles these Chapters.

The intent of these code revisions is to be able to respond to abandoned, wrecked/junk vehicles more quickly and efficiently, to give more discretion to police officers in criminal cases, to clarify process, and to ensure we are compliant with state law.

This code revision has been a collaborative project with JPD, Parks and Rec, Docks and Harbors, and the Manager’s Office.

Below is a sectional summary for ease of reference.

Sec. 3 – 72.22	Repealed and moved to new sections, so that readers can more easily find the code provisions.
Sec. 4 - Title	Renames this Chapter to encompass all vehicles, not just those involved in driving offenses. This allows us to move language from Title 36 (Litter) into this section.
Sec. 4 - 72.23.010	This section consolidates authority from Title 36 and Chapters 72.02 and 72.23. It establishes the basic authority we have for responding to vehicles. We have added in “presumptions” to clarify when certain things take place. For example, we have added that vehicles with hazardous materials should be disposed of rather than sold due to the risks to the officers, staff, and anyone who would bid if it was put up for auction. We have also added in more options for JPD when they are responding to incidents and making arrests. For example, they can immobilize, rather than tow. This will give officers more discretion, decrease the number of vehicles in the impound lot, decrease towing and storage costs, and decrease CBJ liability for vehicles in our lots.
Sec. 4 - 72.23.020	This language codifies the impound in place and immobilize options. It also takes language that is spread out in code and places it under the correct heading. This section also expands an officer’s options when they arrest; decreasing the number of vehicles which will be taken to the impound lot.
Sec. 4 - 72.23.030	This language moves the immobilization provisions to the correct heading and gives JPD the option to impound by immobilizing – which should decrease the number of vehicles in our impound lot. It also clarifies that if a vehicle that is immobilized is not claimed after 72 hours, the vehicle will be handled like an abandoned vehicle and go through that notice process; this way we have a process to remove these vehicles if an owner does not reclaim the vehicle.
Sec. 4 -72.23.040	This section clarifies the notice requirements under state law. Notice has been a



	<p>complicated piece of the process for many departments. This language attempts to clarify the steps that a department must take. It also distinguishes between abandoned vehicles and wrecked/junked vehicles, which have different timeframes. Law has been asked whether it is possible to shorten the time from impound to disposal. The answer is no. Our timeframes are governed by State law. The fastest we can respond to an abandoned vehicle on public property is 51 days. To get to this number you take, 30 days (abandoned) + 20 days (notice) + dispose immediately (51 days) or add 10 more days for auction (notice). So, your range for an abandoned vehicle is 51-61 days. The fastest we can respond to a wrecked or junked vehicle is 5 days (notice), and if not reclaimed or moved, it can be disposed of at day 6.</p>
Sec. 4 - 72.23.050	<p>This section governs how a vehicle is released back to an owner. It consolidates all release options currently available. We have added that there must be proof of insurance before release, to ensure that vehicles on our roads are insured.</p>
Sec. 4 - 72.23.070	<p>This language lays out how and when fees and costs will be reimbursed. We have added in that fees and costs cannot be reimbursed in suspended entry of judgment (SEJ) or diversion cases. An SEJ or diversion are plea options in criminal cases where a dismissal may ultimately result if a defendant completes certain tasks. We want to clarify that this is not the type of dismissal that would result in fee reimbursement. In addition, we have added in an administrative hearing section for fees and costs, as required by law.</p>
Sec. 4 - 72.23.080	<p>As required by law, we must have a way for owners to appeal fees and costs. This section adds in that process.</p>
Sec. 4 - 72.23.101-104	<p>Repealed and moved to the appropriate section for ease of reading.</p>
Sec. 5 - 72.28.010	<p>Definitions found scattered throughout Chapters 36 and 72 have now all be placed here so they are more easily found.</p>
Sec. 5 - 72.28.020	<p>Penalties language has been moved so they are more easily found. In addition, the total amount has been increased from \$300 to \$500 to match state law.</p>
Sec. 5 - 72.28.030	<p>Regulation authority has been moved here so it is more easily found.</p>
Sec. 6 - 36.30	<p>Repealed and moved into the correct spot in 72.23.</p>
Sec. 7 - 72.02.340	<p>This amendment is simply fixing the cross reference in code.</p>
Sec. 8 - 72.02.345	<p>This amendment provides a cross refence to the new code sections. The deleted language is encompassed by 72.23.</p>
Sec. 9 - 72.23.060	<p>Due to the rules of drafting, this section is somewhat out of order (it is part of code provisions found in Sec.4). This language sets out the disposal options, adds a minimum bid amount for auction, and allows for annual adjustments due to CPI. JPD has found that the current minimum bid of \$300 does not cover costs and often result in the vehicle being bought and then abandoned again, this new number and process will help with the auction process.</p>

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Presented by: The Manager  
Presented: 01/27/2025  
Drafted by: Law Department

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2025-07 vCOW**

**An Ordinance Amending the Procedures and Requirements Related to Abandoned, Junked, Wrecked, and Impounded Vehicles.**

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

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Application.** This ordinance shall apply to all vehicles under impound status as of the date of passage.

**Section 3. Repeal of Chapter.** Chapter 72.22, Penalties and arrests, is repealed in its entirety.

**~~Chapter 72.22~~ — REPEALED PENALTIES AND ARRESTS**

**~~72.22.010~~ Repealed. Penalties.**

~~Unless another penalty is expressly provided, every person convicted of a violation of this title is guilty of an infraction, punishable by a fine not to exceed \$300.00. (CBJ Code 1970, § 72.22.010; Serial No. 71-59, § 4, 1971; Serial No. 84-80, § 3, 1984; Serial No. 85-56, § 68, 1985)~~

~~State law reference(s) — Penalties for violations of law, regulations and municipal ordinances, AS 28.40.050.~~

**~~72.22.045~~ Repealed. Reserved.**

~~Serial No. 2024-09(b), § 4, adopted July 29, 2024, effective August 28, 2024, repealed § 72.14.045, which pertained to traffic citation on illegally parked vehicle and derived from CBJ Code 1970, § 72.22.045; Serial No. 71-59, § 4, adopted 1971.~~

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**72.22.060     Repealed. Authority to impound vehicles; redemption or sale;  
presumption of abandonment.**

- (a) ~~Whenever any vehicle is located or is standing upon any street or alley or right-of-way in violation of the provisions of this title or any rule or regulation adopted thereto, or whenever any vehicle is found to be mechanically unsafe to operate upon any street or alley or right-of-way, or whenever the driver is arrested for an offense involving either driving under the influence of intoxicating liquor or hypnotic or narcotic drugs, reckless driving, negligent driving or any felony, such vehicle may be removed from the City and Borough streets or alleys and may be impounded at a place to be designated by the chief of police. The police shall, in the proper case and whenever any other provision of this title is violated, cause a complaint to be filed against the person committing such offense. When the owner or authorized representative of the owner of the vehicle claims the same, he or she shall be informed of the nature of the circumstances causing the impoundment of such vehicle and to obtain release thereof shall pay all towing, impoundment and storage charges. Such fees may be established, changed or abolished by the assembly by resolution. If the operator or owner of the vehicle, upon hearing before the municipal judge, is found not guilty of the violation of which he or she is charged, the impounded vehicle shall be released immediately to the owner without collection of fees or other charges, or if such person found not guilty has already paid impoundment towing or storage charges, the court may order the City and Borough to refund part or all of such fees or charges. If the owner or operator of such vehicle is found guilty, any fine imposed under the provisions of the appropriate section of this title shall be in addition to the towing, impounding and storage charges herein prescribed in this section.~~
- (b) ~~No person shall allow, permit or suffer any vehicle registered in that person's name to stand or park upon or be operated upon any street in this City and Borough in violation of this title or any rule or regulation adopted or issued pursuant thereto.~~
- (c) ~~Whenever an officer removes or has removed a vehicle from a street as authorized in this section and the officer knows or is able to ascertain from the registration records in the vehicle the name and address of the owner thereof, such officer shall immediately give or cause to be given notice in writing to such owner of the fact of such removal and~~

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~~the reasons therefor and of the place to which such vehicle has been removed. If any such vehicle is stored in a public garage, a copy of such notice shall be given to the proprietor of such garage.~~

(d) ~~After a vehicle has been impounded for more than ten days, the chief of police shall cause to be sent by registered mail a notice to the owner and any lienholder thereof, if after the exercise of due diligence the owner's or lienholder's name can be ascertained. The notice shall accurately describe the vehicle, give the date the vehicle was impounded, and inform the owner that unless the owner reclaims the vehicle within ten days from the dispatch thereof, the vehicle shall be sold. Not less than 15 days after the dispatch of the letter, if the letter can be sent, and in any event if such letter cannot be sent, the chief of police shall cause to be posted in three public places in the City and Borough a description of the vehicle, the owner's name, if known, and state the facts that the vehicle and other similar vehicles similarly described will be sold at public auction to the highest responsible bidder at a public sale under the direction of the chief of police or a contractor at a specified time and place, not less than ten days after the publication of the notice of sale. The chief of police shall keep a permanent accurate record of all vehicles impounded containing the date of impoundment, description of the vehicle, cause for which impounded, date of redemption if redeemed, an amount paid upon redemption, date of letter to owner if known, notice of sale, record of sale and the price paid at sale and the name of the purchaser.~~

(e) ~~If the highest bid at public auction shall not be equal to or greater than the towing and storage charges, the City and Borough may reject the bid and attempt to sell the vehicle at subsequent public auction or negotiate for private sale; provided, however, the price obtained at private sale must be equal to or greater than the highest bid at public auction.~~

(f) ~~The proceeds of a sale of any impounded vehicle shall be applied first against any and all costs of the City and Borough involved in towing, impounding and storing the vehicle, and in conducting any sale thereof, with any remaining proceeds paid first to the lienholder if known, to the extent of the lienholder's interest if any, then to the owner if known, or if unknown into the operating fund of the police department.~~

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(g) ~~Notwithstanding any other provisions of this section, whenever any vehicle located or standing upon any street or alley or right of way is or has been involved in an accident resulting in personal injury or property damage in an amount of \$500.00 or more as judged by a police officer, such vehicle may be removed from the streets and impounded by the police department for a period not to exceed five days for the purpose of having the vehicle inspected by a competent mechanic to determine whether the vehicle is mechanically safe. The expense of this type of inspection impoundment shall be borne by the City and Borough.~~

(h) ~~If a vehicle qualifies for impound, the manager, the manager's designee, or an employee of the Juneau Police Department may impound a vehicle in place and proceed with the notice and disposal process.~~

~~(CBJ Code 1970, § 72.22.060; Serial No. 71-59, § 4, 1971; Serial No. 2000-20, § 5, 6-5-2000; Serial No. 2023-38, § 2, 11-13-2023, eff. 12-14-2023)~~

~~State Law reference — Abandoned vehicles, AS 28.11.010 et seq.; forfeiture of vehicle or aircraft, AS 28.35.036 et seq.~~

**72.22.063 Repealed. Vehicle immobilization.**

(a) ~~The chief of police may, subject to the limitations contained in this section, authorize the immobilization of any motor vehicle by the use of a vehicle immobilization device which, when attached to the wheel or other part of a motor vehicle, prevents that vehicle from being driven.~~

(b) ~~No vehicle may be immobilized pursuant to this section unless there has been affixed to that or any other vehicle owned by the same person, or that person has otherwise been issued, at least two municipal parking citations and has, with respect to each such citation, failed, within the time permitted by law, to:~~

- ~~(1) Post or forfeit the bail specified for that offense; or~~
- ~~(2) Appear and answer to the charge.~~

(c) ~~The owner or operator of a vehicle immobilized pursuant to this section may obtain its release by:~~

- ~~(1) Posting bail for each of the parking citations outstanding against the owner; and~~
- ~~(2) Paying the release service fee established by the chief of police.~~

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~~(d) A vehicle immobilized pursuant to this section may not be the subject of further parking citations during the period of immobilization.~~

~~(e) If a vehicle immobilized pursuant to this section is not released within 24 hours, it may be impounded and shall thereafter be released only upon the posting of bail and payment of the service fee required under subsection (c) of this section and compliance by the owner or operator with section 72.22.060.~~

~~It is unlawful for a person to purposely or recklessly and without authority tamper with, remove, attempt to remove, damage or deface any vehicle immobilization device attached to any vehicle.~~

~~(Serial No. 80-13, § 2, 1980; Serial No. 81-13, § 2, 1981)~~

**72.22.065     Repealed. Authority to effect regulations.**

~~The chief of police is hereby empowered, with approval of the assembly, to make all necessary regulations pursuant to CBJ chapter 01.60 to affect all provisions of this title.~~

~~(CBJ Code 1970, § 72.22.065; Serial No. 71-59, § 4, 1971)~~

**Section 4.     Amendment of Chapter.** Chapter 72.23, Impoundment or forfeiture of motor vehicles involved in driving offenses, is renamed and amended by adding new sections to read:

**Chapter 72.23     IMPOUNDMENT, IMMOBILIZATION, REMOVAL, AND DISPOSAL OF VEHICLES IMPOUNDMENT OR FORFEITURE OF MOTOR VEHICLES INVOLVED IN DRIVING OFFENSES**

**72.23.010     Authority and presumptions.**

- (a) Authority.
  - (1) No person may stop, park, or leave standing a vehicle in violation of statute, ordinance, or regulation.
  - (2) No person may deposit or maintain an abandoned, junked, or wrecked vehicle on any street, sidewalk, recreation area, open space, or other public property, or on any private property other than permitted in a lawful junkyard pursuant to Title 49 of this Code.

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(3) If a vehicle qualifies for impound, the manager, the manager's designee, or a police officer of the Juneau Police Department may choose to impound the vehicle in place or impound and remove the vehicle to a storage yard.

(4) A vehicle used in an impoundment driving offense or crime may be impounded and removed, impounded in place, or immobilized through a seizure of the vehicle incident to an arrest or citation.

(5) A police officer may not stop a vehicle for the sole purpose of determining whether the driver is properly licensed.

(6) The disposal process for vehicles will comply with AS 28.11.040 and AS 28.11.070.

(b) *Presumption of abandonment.*

(1) A vehicle registered or titled that reasonably appears to have been left unattended, standing, parked upon or within 10 feet of the traveled portion of a highway or vehicular way or area in excess of 48 hours, or a vehicle that reasonably appears to have been left standing or parked on private property in excess of 24 hours or upon other public property for more than 30 days and without the consent of the owner or person in charge of the property is presumed abandoned.

(2) A wrecked or junked vehicle that reasonably appears to have been left unattended, standing, parked upon or within 10 feet of the traveled portion of a highway or vehicular way or area in excess of 24 hours, or a wrecked or junked vehicle that reasonably appears to have been left standing or parked on private property or other public property in excess of 24 hours and without the consent of the owner or person in charge of the property is presumed abandoned.

(c) *Presumption of ownership.* A vehicle deposited in any place in violation of code is considered to have been so deposited by the last registered owner of the vehicle unless the last registered owner has filed a notice of transfer or assignment in accordance with AS 28.10.271, in which case proof of the filing of the notice shall constitute prima facie evidence that the transferee named in the notice was the person who deposited the junked or abandoned vehicle in violation of this section.

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(d) Presumption in driving offense cases. It shall be presumed that a vehicle operated by, driven by, or in the physical control of an individual arrested for or charged with a driving offense is being operated by either the vehicle’s registered owner or is being operated by another person with the knowledge and consent of the registered owner.

(e) Presumption in criminal cases. A motor vehicle that is operated, driven, or in actual physical control of an individual arrested for or charged with a crime may be impounded to preserve any evidence that may be necessary for trial.

(f) Presumption of auction. In the following situations, after providing required notice, the presumption is that the vehicle will be auctioned rather than being removed to a scrap processing yard or auto wrecker for disposal:

- (1) The vehicle is safe to operate and has no major body damage; and
- (2) The Kelly Blue Book value is listed at \$1,000.00 or more.

(g) Presumption of disposal. In the following situations, after providing required notice, the presumption is that the vehicle will be removed to a scrap processing yard or auto wrecker for disposal rather than being placed for auction:

- (1) The vehicle is junked or wrecked as defined in CBJ 72.28.010; or
- (2) A vehicle poses a hazard due to presence of blood, bodily fluids, standing water, contagion, or other hazardous materials; or
- (3) A vehicle is determined to be worth less than \$1,000.00; or
- (4) The vehicle has previously been subject to an auction under this Chapter; or
- (5) A vehicle is unsafe to drive due missing parts, or damage to the motor, engine, transmission, brakes, steering, suspension, or body of the vehicle.

(h) Impound options. A police officer, the manager, or the manager’s designee may:

- (1) Impound and remove a vehicle to an impound lot for storage; or
- (2) Impound in place by ensuring the vehicle is in a safe location and by placing notice of impound on the vehicle.

(i) Immobilization options. A police officer may immobilize a vehicle in association with a criminal arrest or citation for impoundment driving offenses. If an immobilized vehicle is not released within 72 hours, the manager or the manager’s designee may deem the vehicle abandoned and proceed with notice and disposal. A vehicle may be released from immobilization per CBJ 73.23.050.



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(j) Exceptions to impound.

- (1) If a driver is unable to produce a valid driver's license on the demand of a police officer, the vehicle may be impounded regardless of ownership, unless the police officer is able, by other means, to verify that the driver is properly licensed. Prior to impounding a vehicle, an officer shall attempt to verify the license status of a driver who claims to be properly licensed but is unable to produce the license on demand of the police officer.
- (2) A police officer may not impound a vehicle based on expiration of the driver's license if the license expired within the preceding 90 days and the driver would otherwise have been properly licensed.
- (3) A police officer, the manager, or the manager's designee may waive impoundment of the vehicle if the driver is an employee driving a vehicle registered to an employer in the course of employment. A police officer may also waive impoundment if the driver is the employee of a bona fide business establishment or is a person otherwise controlled by such an establishment and it reasonably appears that an owner of the vehicle, or an agent of the owner, relinquished possession of the vehicle to the business establishment solely for servicing or parking of the vehicle or other reasonably similar situations, and where the vehicle was not to be driven except as directly necessary to accomplish that business purpose. In this event, if the vehicle can be returned to or be retrieved by the business establishment or registered owner, the police officer may release and not impound the vehicle.
- (4) A police officer, the manager, or the manager's designee may waive impoundment in other circumstances clearly establishing that the owner of the vehicle had no cause to believe, or reasonable opportunity to inquire, whether the driver would commit an impoundment driving offense.
- (5) A police officer, the manager, or the manager's designee may waive impoundment if a licensed driver is available to take possession of the vehicle within 72 hours, the vehicle may be parked in a safe location, and the key is secured until a licensed driver arrives. The officer may store the keys at the police department for safekeeping or may allow the driver of the vehicle to

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designate where the keys to the vehicle are placed for safekeeping. The driver of the vehicle is responsible for notifying a licensed driver of the need to take possession of the vehicle within 72 hours. If not taken into possession and moved within 72 hours, the vehicle may be subject to impound.

(6) A police officer, the manager, or the manager’s designee may waive impoundment if the vehicle is left standing or parked more than the time specified in Title 72, but the owner or driver of the vehicle has given notice to the police department, specifying the circumstances which require excess of the time specified and any provisions the owner or driver is making to remove the vehicle.

**72.23.020 Impound of vehicles.**

(a) A police officer, the manager, or the manager’s designee may impound and remove or impound in place a vehicle that is in violation of the provisions of statute, ordinance, or regulation.

(b) Removal of a wrecked, junked, or abandoned vehicle from private property shall be upon the written request of the owner or person in lawful possession or control of the property.

(c) When a police officer arrests the driver of a motor vehicle, the officer shall impound and remove, impound in place, or immobilize the vehicle as designated by the chief of police. The officer shall inform the driver that they may elect to have another immediately available person who is legally licensed to drive a motor vehicle drive or otherwise remove the vehicle as the driver directs. The driver may designate the nearest available garage or tow car operator of the driver's choosing to remove the vehicle. The exceptions to impound under 72.23.010(j) may be applied at the discretion of the police officer.

(d) When a vehicle is impounded and removed to the impound lot, or immobilized, the owner or driver may claim the vehicle per CBJ 72.23.050.

**72.23.030 Vehicle immobilization.**

(a) A police officer, the manager, or the manager’s designee may authorize the immobilization of a vehicle as part of a criminal arrest using a vehicle immobilization device which, when attached to the wheel or other part of a motor vehicle, prevents that vehicle from being driven.

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(b) The owner or operator of a vehicle immobilized pursuant to this section may obtain its release by complying with the terms of CBJ 73.23.050.

(c) A vehicle immobilized may not be the subject of parking citations during the period of immobilization.

(d) If an immobilized vehicle is not released within 72 hours, the manager or the manager's designee may deem the vehicle abandoned and proceed with notice and disposal.

(e) It is unlawful for a person to purposely or recklessly and without authority tamper with, remove, attempt to remove, damage, or deface any vehicle immobilization device attached to any vehicle.

**72.23.040 Notice requirements.**

(a) Abandoned vehicles.

(1) A written report of impoundment shall be made by the police officer, the manager, or the manager's designee. The report shall be sent immediately to the department of motor vehicles and a copy of the report shall be given to the person who stores the property. The report must describe the vehicle, the date, time, and place of removal, the grounds for removal, and the place of impoundment of the vehicle.

(2) Adequate notice of impoundment and procedures for redemption of a vehicle shall be given to registered owners of vehicles and other persons known to have a legal interest in them. Adequate notice shall consist of a certified letter or personal service, when the persons involved are known, or publication for ten days if such persons are not known. The notice shall contain:

1. A description of the vehicle,
2. The date, time, and place of impound;
3. The current location of the vehicle;
4. An itemized statement of amounts due the municipality for towing and storage and stating that such fees and costs must be paid prior to redemption of the vehicle;
5. A statement that the owner may appeal the impoundment fees and costs by making a request in writing within 20 days from the date of mailing or publication of the notice; and

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6. A statement that unless the vehicle is reclaimed within 20 days from the date of mailing or publication of the notice, the vehicle and its contents may be disposed of per CBJ 73.23.060.

(3) Title to the vehicle will vest with the city and borough on the 21<sup>st</sup> day from the notice given.

(b) *Wrecked or junked vehicles.*

(1) Upon observation of what appears to be a wrecked or junked vehicle, a police officer, the manager, or the manager’s designee may impound the vehicle.

(2) A written report of impoundment shall be made by the police officer, the manager, or the manager’s designee. The report shall be sent immediately to the department of motor vehicles. The report must describe the vehicle, the date, the time, the grounds for impound, and the place of impoundment of the vehicle.

(3) The police officer, the manager, or the manager’s designee shall give written notice by personal service or certified mail to the vehicle owner of record as well as by notice affixed to the vehicle, when the persons involved are known. Notice affixed to the vehicle shall suffice for subsequent disposal if such persons are not known.

(4) The notice shall contain the street address and other information sufficient to identify the location of the vehicle, a statement that the vehicle constitutes a public nuisance, a statement that if the vehicle is not claimed and removed within five days from issuance of the notice, the vehicle will be disposed of per CBJ 73.23.060; and a statement that, if the owner can show ability and willingness to make the repairs necessary to convert the junked vehicle into an operable vehicle, application may be made at any time before the five days have expired for a 30-day waiver to make the necessary repairs.

(c) If a vehicle can be considered both abandoned and wrecked or junked, the vehicle may be disposed of under either subsection (a) or (b) above.

**72.23.050 Release of vehicle.**

(a) The vehicle shall be released to the registered owner upon presentation of a release authorization issued by the police department.

(b) A release shall not be granted unless the owner:

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- (1) Can provide proof of ownership or a legal right to possess the vehicle; and
  - (2) Can provide current proof of insurance; and
  - (3) Is not intoxicated; and
  - (4) Pays all towing and storage fees.
- (c) An owner who presents satisfactory proof of ownership or right to possession may redeem a vehicle at any time before destruction or auction by paying the charges of towing, storage, notice, other cost of impoundment, and any applicable penalty imposed by law.

**72.23.070 Reimbursement of impound fees and costs.**

Fees and costs may be reimbursed by the City and Borough if:

- (a) All charges related to the impoundment are dismissed, except in diversion or Suspended Entry of Judgment (SEJ) cases, or the driver is acquitted;
- (b) A showing that the owner of the vehicle has a valid driver’s license, valid registration, and proof of insurance;
- (c) Fees and costs may be reimbursed by the city and borough if the chief of police finds there were facts which would have justified a decision by the officer to waive impoundment; a finding by the chief shall not be construed to mean that the officer knew or should have known such facts; or
- (d) A hearing officer determines that fees and costs should be reimbursed under CBJ 72.23.080.

**72.23.080 Administrative hearing.**

An owner and any lienholder of a vehicle impounded under this chapter shall be entitled to an administrative hearing regarding fees and costs. An owner and any lienholder may request a hearing, in writing, within 20 days from the date of mailing or publication of the notice. Hearings shall be informal and technical rules of evidence do not apply. A person who requests a hearing may retain an attorney if the person desires. The hearing officer shall be appointed by the manager. Proceedings of the hearing shall be recorded. The hearing officer has full discretion to decide the matters and shall state on the record the evidence relied on and the reasons for the officer’s determination.

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**72.23.101 Repealed. Presumptions; vehicle impoundment.**

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- (a) ~~It shall be presumed that a vehicle operated by or driven by or in the actual physical control of an individual arrested for or charged with an impoundment driving offense has been so operated by the registered owners thereof or has been operated by another person with the knowledge and consent of the registered owners.~~
- (b) ~~A vehicle used in the alleged impoundment driving offense may be impounded through a seizure of the vehicle incident to an arrest or citation subject to subsection (d).~~
- (e) ~~A police officer shall not stop a vehicle for the sole purpose of determining whether the driver is properly licensed.~~
- (d) ~~Confirmation and mitigation.~~
  - (1) ~~If a driver is unable to produce a valid driver's license on the demand of a police officer, the vehicle may be impounded regardless of ownership, unless the police officer is reasonably able, by other means, to verify that the driver is properly licensed. Prior to impounding a vehicle, a police officer shall attempt to verify the license status of a driver who claims to be properly licensed but is unable to produce the license on demand of the police officer.~~
  - (2) ~~A police officer shall not impound a vehicle based on expiration of the driver's license if the license expired within the preceding 90 days and the driver would otherwise have been properly licensed.~~
  - (3) ~~A police officer may waive impoundment of the vehicle if the driver is an employee driving a vehicle registered to the employer in the course of employment. A police officer may also waive impoundment if the driver is the employee of a bona fide business establishment or is a person otherwise controlled by such an establishment and it reasonably appears that an owner of the vehicle, or an agent of the owner, relinquished possession of the vehicle to the business establishment solely for servicing or parking of the vehicle or other reasonably similar situations, and where the vehicle was not to be driven except as directly necessary to accomplish that business purpose. In this event, if the vehicle can be returned to or be retrieved by the business establishment or registered owner, the police officer may release and not impound the vehicle.~~
  - (4) ~~A police officer may waive impoundment in other circumstances clearly establishing that the owner of the vehicle had no cause to believe or reasonable~~

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~~opportunity to inquire whether the driver would commit an impoundment driving offense. Impoundment may not be waived under this subsection (4) if the owner and the driver are married, members of the same household, or both in the vehicle at the time of the stop.~~

~~(Serial No. 2003-22, § 4, 6-9-2003; Serial No. 2019-33, § 13, 9-16-2019, eff. 10-17-2019)~~

**72.23.102 Repealed. Storage of vehicle, payment of fees, release.**

- ~~(a) The police officer shall arrange for a vehicle impounded under this chapter to be taken to and stored at a commercial vehicle storage service.~~
- ~~(b) The vehicle storage service shall release the vehicle to the registered owner upon presentation of a release authorization issued by the police department.~~
- ~~(c) The police department shall issue a release authorization upon request on the first business day 72 hours after the vehicle was impounded. A release shall not be granted unless the owner:
 
  - ~~(1) Can provide proof of ownership or a legal right to possess the vehicle; and~~
  - ~~(2) Is not intoxicated, and~~
  - ~~(3) Pays an administrative charge to offset the city's processing costs.~~~~
- ~~(d) Vehicles ordered impounded under this section and which are not claimed may be disposed of pursuant to the provisions of AS 28.10.502. If the contents of the vehicle have not been recovered before such disposal, the contents may be disposed of with the vehicle.~~
- ~~(e) The owner shall be liable for payment of all towing and storage fees to the commercial towing and storage service.~~

~~(Serial No. 2003-22, § 4, 6-9-2003)~~

**72.23.103 Repealed. Reimbursement of impound fees.**

~~Fees under section 72.23.102(e) and (e) may be reimbursed by the City and Borough if:~~

- ~~(a) All charges related to the impoundment are dismissed or the driver is acquitted, or~~
- ~~(b) The chief of police finds there were facts which would have justified a decision by the officer under section 72.23.10(d) to waive impoundment. A finding under this subsection (b) shall not by itself be construed to mean that the officer knew or should have known such facts.~~

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~~(Serial No. 2003-22, § 4, 6-9-2003)~~

**72.23.104 Repealed. Definitions.**

The following definitions shall apply to this article:

~~*Business day* means a day other than Saturday, Sunday, or a City and Borough holiday.~~

~~*Impoundment driving offense* means CBJ 72.10.010 or AS 28.35.030, pertaining to driving while intoxicated, or CBJ 72.10.012 or AS 28.35.032, pertaining to refusal to submit to chemical test, or CBJ 72.10.028 pertaining to driving without a valid operator's license.~~

~~*Previously convicted or previous conviction* means having been convicted in this or another jurisdiction within 15 years preceding the date of the present offense, of a drunk driving offense or another statute or ordinance with substantially similar elements.~~

~~*Registered owner or owner* means the owner of the vehicle at the time of the offense as shown in the vehicle ownership records of the State of Alaska, Division of Motor Vehicles or another agency with similar responsibilities in another state.~~

~~(Serial No. 2003-22, § 4, 6-9-2003; Serial No. 2019-33, § 13, 9-16-2019, eff. 10-17-2019)~~

**Section 5. Amendment of Chapter.** Chapter 72.28, Definitions, is renamed and amended to read:

**Chapter 72.28 DEFINITIONS, PENALTIES, AND REGULATIONS**

**72.28.010 Definitions of words and phrases.**

The following words and phrases, when used in this title, shall have the meaning respectively ascribed to them in this section, unless the context clearly indicates otherwise. Words or phrases used but not defined in this title which are defined in state laws or regulations pertaining to the operation of vehicles shall have the meaning ascribed to them by such state law or regulation, unless the context clearly indicates otherwise.

*Abandoned vehicle* means:

- (1) A vehicle registered or titled that reasonably appears to have been left unattended, standing, parked upon, or within 10 feet of the traveled portion of a highway or vehicular way or area in excess of 48 hours, or a vehicle that reasonably appears to have been left standing or parked on private property in excess of 24 hours or upon other public property for more than 30 days without the consent of the owner or person in charge of the property. A privately owned



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~~vehicle which is left standing on a highway or other public property in the City and Borough for a continuous period of 72 hours or more, or is left standing on private property without the permission of the owner or legal occupant of the property for a continuous period of 24 hours or more. The term also includes a vehicle that is not removed within the time specified to a police officer as provided in subsection (2) of this definition.~~

Business day means a day other than Saturday, Sunday, or a city and borough holiday.

Impoundment driving offense means CBJ 72.10.010, pertaining to driving while intoxicated, or CBJ 72.10.012, pertaining to refusal to submit to chemical test, or CBJ 72.10.028, pertaining to driving without a valid operator's license.

Junked vehicle means a vehicle:

- (1) which has not been registered for a period of one year or more prior to impoundment, except:
  - (A) for a vehicle not currently registered under AS 28.10 and used exclusively for competitive racing; or
  - (B) a vehicle whose registration expired while being held in an impound lot;
- (2) that is stripped, wrecked, or otherwise inoperable due to mechanical failure;
- (3) that has not been repaired because of mechanical difficulties or because the cost of repairs required to make it operable exceeds the fair market value of the vehicle; or
- (4) that is in a condition that exhibits more than one of the following elements:
  - (A) broken glass;
  - (B) missing wheels or tires;
  - (C) missing body panels or parts; or
  - (D) missing drive train parts.
- (5) that has been previously declared a wreck or reconstructed on title.

Previously convicted or previous conviction means having been convicted in this or another jurisdiction within 15 years preceding the date of the present offense, of a drunk driving offense, or another statute or ordinance with substantially similar elements.

Registered owner or owner means the owner of the vehicle at the time of the offense as shown in the vehicle ownership records of the State of Alaska, Division of Motor Vehicles or another agency with similar responsibilities in another state.

Wrecked vehicle means a vehicle that is disabled and cannot be used as a vehicle without substantial repair or reconstruction.

**72.28.020 Penalties.**

Unless another penalty is expressly provided, every person convicted of a violation of this chapter is guilty of an infraction, punishable by a fine not to exceed \$500.00. Upon a conviction under this Chapter, the city and borough may have up to 90 days to file a motion for restitution for fees and costs incurred.

**72.28.030 Authority to effect regulations.**

The manager or manager’s designee is empowered, with approval of the assembly, to make all necessary regulations pursuant to CBJ chapter 01.60 to affect all provisions of this title.

**Section 6. Repeal of Section.** CBJC 36.30.230, Abandoned and junked vehicles, is repealed in its entirety.

**36.30.230 Repealed. Abandoned and junked vehicles.**

- (a) ~~No person may deposit or maintain a junked or abandoned vehicle on any private property or on any street, sidewalk, recreation area, open space, or other public property. It shall be a defense to a charge under this section that the vehicle was located within a permanent structure or on property lawfully used as a junkyard pursuant to title 49 of this Code.~~
- (b) ~~A junked or abandoned vehicle deposited in any place in violation of this section is considered to have been so deposited by the last registered owner of the vehicle unless the last registered owner has filed a notice of transfer or assignment in accordance with AS 28.10.271, in which case proof of the filing of the notice shall constitute prima facie evidence that the transferee named in the notice was the person who deposited the junked or abandoned vehicle in violation of this section.~~
- (e) ~~A transferor or assignor of a vehicle who fails to file a notice as provided in AS 28.10.271, within ten days of the transfer or assignment, shall be guilty of an infraction.~~

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(d) ~~Violation of subsection (a) or subsection (e) of this section is an infraction, upon conviction of which the court shall impose a minimum fine of \$295.00. The execution of sentence may not be suspended nor may probation be granted except on condition that the minimum fine provided in this section is paid. Imposition of sentence may not be suspended.~~

(e) ~~Upon a conviction under subsection (a) of this section, the court shall order the defendant to make restitution for the actual costs incurred by the City and Borough for disposal of the vehicle.~~

(f) ~~If a vehicle qualifies for impound, the manager or the manager's designee may impound a vehicle in place and proceed with the notice and disposal process.~~

~~(Serial No. 79-53, § 3, 1979; Serial No. 2000-20, § 4, 6-5-2000; Serial No. 2023-38, 11-13-2023, eff. 12-14-2023)~~

**Section 7. Amendment of Section.** CBJC 72.02.340, Stopping, standing or parking on highway and in other locations, is amended to read:

**72.02.340 Stopping, standing, or parking on highway and in other locations.**

...

(b) This section and section 72.02.365 do not apply to the driver of a vehicle performing an official duty which requires stopping, standing, or parking upon or within eight feet of a roadway or to the driver of a vehicle which is disabled in a manner and to an extent that it is impossible to avoid stopping and temporarily leaving the vehicle upon or within eight feet of roadway. The driver of a disabled vehicle shall comply with the requirements of section 72.23.010(e) ~~72.02.345~~.

...

**Section 8. Amendment of Section.** CBJC 72.02.345, Officers authorized to remove vehicles, is amended to read:

**72.02.345 Officers authorized to remove vehicles.**

(a) If a vehicle is in violation of the provisions of sections 72.02.340 through ~~72.02.3723~~, or is left on a roadway or under circumstances which obstruct the normal movement of traffic, a police officer may move the vehicle, or require the driver or other person in

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charge of the vehicle to move the vehicle to a position off the roadway or to a safe place on the roadway, or when necessary.

(b) A police officer may impound in place, impound and remove to a place of safety, or immobilize a vehicle which under the provisions of Chapter 72.23.

- (1) ~~Is found in the state and which has been previously reported stolen or taken without the owner's consent;~~
- (2) ~~Is found or operated on a highway or ferry facility without license plates or other evidence of registration or which evidence is false with respect to that vehicle;~~
- (3) ~~Is found or presumed to be abandoned as provided in AS 28.11.020, except that a vehicle is not considered abandoned if left standing or parked in excess of the time specified in AS 28.11.020 when the owner or driver of the vehicle has given notice to a municipal police department, if the vehicle is located within a municipality, or to the nearest office of the Alaska State Troopers, specifying the circumstances which require standing or parking in excess of the time specified in AS 28.11.020, and the provisions the owner or driver is making to remove the vehicle; or~~
- (4) ~~Is found to be in violation of subsection 72.02.340(d)(1)(K) upon a state-controlled or state-designated parking area.~~

(e) ~~When a police officer arrests and detains the driver of a motor vehicle, the officer shall impound and remove the vehicle to a place of safety; however, the officer shall inform the driver that the driver may elect to have another immediately available person, who is legally licensed to drive a motor vehicle, drive or otherwise remove the vehicle as the driver directs. The driver may designate the nearest available garage or tow car operator of the driver's choosing to remove the vehicle. If the driver does not so indicate, the officer shall make the arrangements necessary to remove the vehicle.~~

(d) ~~When a vehicle is impounded, it may be impounded in place or removed from a highway or elsewhere at the discretion of a police officer. A vehicle removed shall be removed to a place of safety. The owner or driver may claim the vehicle by securing a written release for it from the police officer or agency ordering its impound or removal. A vehicle legally removed or impounded may not be released to the owner, nor may the owner secure its~~

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2 use until the release for it is certified by the officer or agency directing its removal. The  
3 expense for the removal and storage must be paid by the owner or driver of the vehicle.  
4 (CBJ Code 1970, § 72.02.345; Serial No. 71-66, § 4, 1971; Serial No. 2023-38, 11-13-2023, eff.  
5 12-14-2023)

6 **Section 9. Amendment of Section.** CBJC 72.23.100, Vehicle impoundment; public  
7 nuisance, is amended to read:

8 **72.23.060100 Disposal of vehicles. Vehicle impoundment; public nuisance.**

9 (a) Upon satisfaction of the notice and reporting requirements, an abandoned, wrecked, or  
10 junked vehicle may be disposed of by removal to a scrap processing yard or auto wrecker  
11 or may be sold at public auction.

12 (1) For a vehicle which will be sold at auction, after issuing the 20 day notice and  
13 having no response from the owner or lien holder, the vehicle may be sold at  
14 auction no sooner than 10 days after the 20<sup>th</sup> day.

15 (2) For a vehicle which will be disposed of removal to a scrap processing yard or auto  
16 wrecker, after issuing the 20 day notice for an abandoned vehicle or posting a 5  
17 day notice for a wrecked or junked vehicle, the vehicle may be immediately  
18 disposed of.

19 (b) If the contents of the vehicle have not been recovered before such disposal, the contents  
20 may be disposed of with the vehicle.

21 (c) The minimum bid at auction will be no less than \$1,000.00, which represents  
22 administrative, towing, and storage costs to the city and borough. This amount will be  
23 equal to the previous fiscal year's cost and adjusted by the Consumer Price Index –  
24 Urban Alaska (CPI) as reported by the Alaska Department of Labor and Workforce  
25 Development.

(e) The proceeds of a sale of any impounded vehicle shall be applied first against any and  
all administrative costs, towing and storage fees, and costs of conducting the sale, with  
any remaining proceeds paid first to the lienholder if known, to the extent of the  
lienholder's interest if any, then to the owner if known, or if unknown, into the  
operating fund of the appropriate department.

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~~A motor vehicle that is operated, driven, or in actual physical control of an individual arrested for or charged with an impoundment driving offense may be impounded by the City and Borough for 72 hours in accordance with this chapter. The purpose of the impoundment is to preserve any evidence that may be necessary for trial, to protect the public by removing public nuisances from the roads and deterring drivers from drinking and from operating vehicles in violation of license restrictions. A vehicle operated in the course of the commission of an impoundment driving offense is declared to be a public nuisance for which the registered owners shall be legally responsible subject only to defenses set forth by law.~~

~~(Serial No. 2003-22, § 4, 6-9-2003; Serial No. 2019-33, § 13, 9-16-2019, eff. 10-17-2019)~~

**Section 10. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Beth A. Weldon, Mayor

Attest:

\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk

## Capital Civic Center Design Phases

The Partnership, Inc., would be responsible for costs of design, with the architect of record, Northwind Architects of Juneau, through the following phases;

### **Concept / Pre-Design Phase**

Interface between architect and client to determine needs of building to meet client use

### **Schematic [SD] 30%**

Architectural team begins work to translate client's needs into building design concept. Partnership, Inc., would select and employ a Constructability Review [CR] firm to work with owner, architect and client to insure project viability. CR firm would be on project through CD completion.

Estimated project costs would be calculated at completion of SD phase.

During SD development, CBJ would seek through an RFQ, A&E services to join with the architect of record to complete DD phase involving the integration of the existing Centennial Hall building and systems with the new construction. The Partnership, Inc., and CBJ would be jointly responsible for the cost of A&E services for the DD phase.

### **Design Development [DD] 65%**

Point in project where architect's intent manifests as detailed plan.

Estimated project costs would be recalculated at completion of DD phase.

After DD approvals the design team would complete CD phase. The Partnership, Inc., and CBJ would be jointly responsible for the cost of A&E service for the CD Phase.

### **Construction Documents [CD] 100%**

Architect produces detailed drawings that specify every aspect of their final design and permitting requirements.

Estimated project costs would be recalculated at completion of CD phase.

CBJ would seek through alterative procurement process a construction firm to build the project after negotiation of Guaranteed Maximum Price [GMP]

### **Notice to Proceed [NTP]**

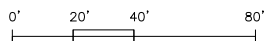
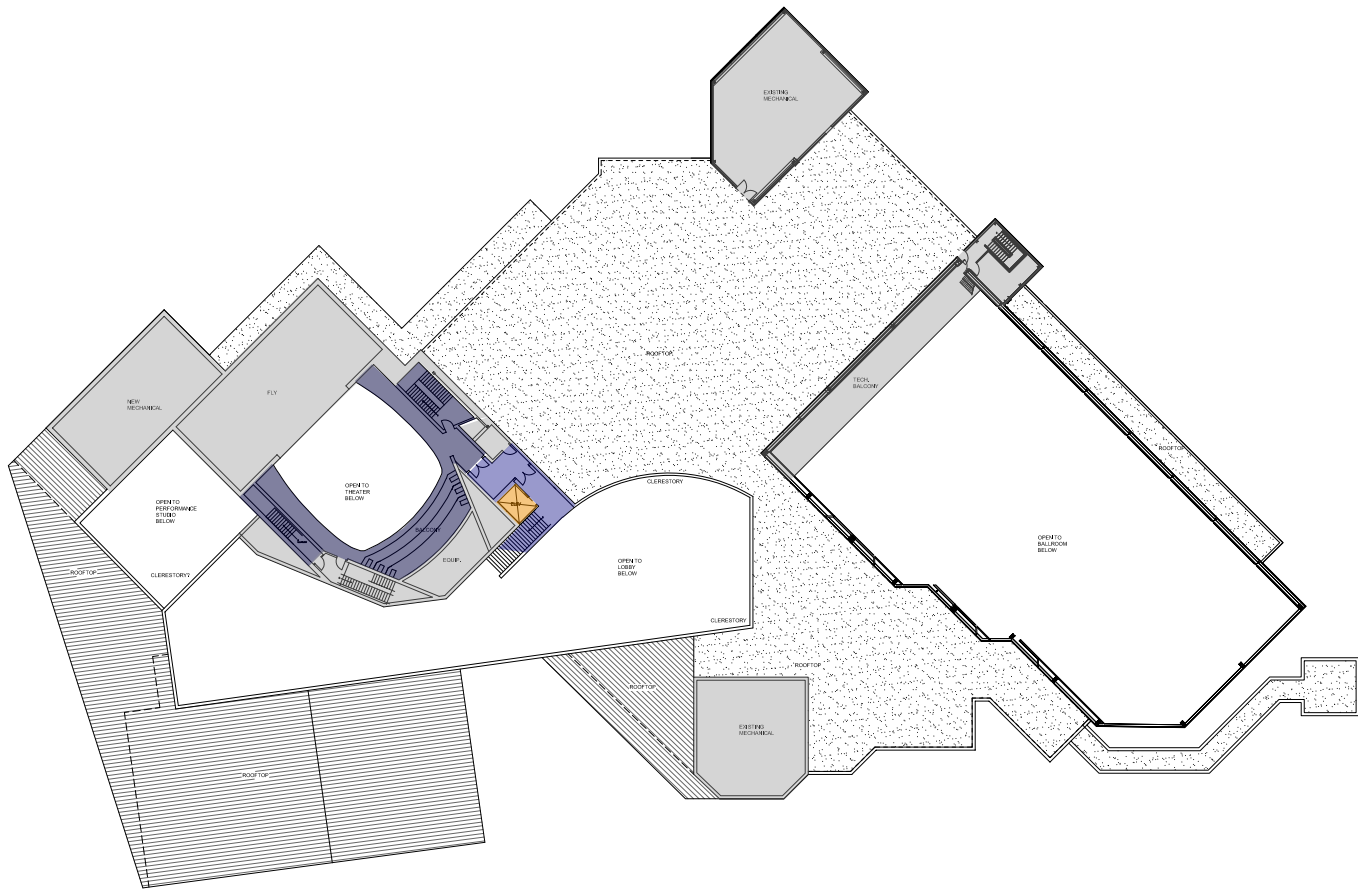
Capital Civic Center  
Design Document Development  
January 2025



MAIN FLOOR AREA  
64,458 sf gross

CAPITAL CIVIC CENTER DESIGN - FL 1





CAPITAL CIVIC CENTER DESIGN - FL 2



Capital Civic Center Project Budget			
<b>Hard Costs</b>	<b>Construction 44,000 Sq. Ft</b>		\$41,227,596
	<b>Site Preparation</b>		\$1,960,337
	<b>Landscaping</b>		\$900,000
	<b>Parking</b>		\$1,100,000
		<b>Sub Total</b>	<b>\$45,187,933</b>
<b>Soft Costs</b>	<b>Architect / Engineering</b>		\$4,518,793
	<b>Permitting and Fees</b>		\$451,879
	<b>Specialty Consultants</b>		\$903,759
		<b>Sub Total</b>	<b>\$5,874,431</b>
<b>FFE</b>	<b>Theater</b>		\$2,090,300
	<b>General Facility</b>		\$1,112,428
		<b>Sub Total</b>	<b>\$3,202,728</b>
<b>Project Management</b>	<b>Administration</b>		\$451,879
	<b>Construction Management</b>		\$677,819
	<b>Testing / Special Inspections</b>		\$451,879
		<b>Sub Total</b>	<b>\$1,581,578</b>
<b>Contingency</b>		<b>Sub Total</b>	<b>\$4,518,793</b>
<b>Project Cost</b>		<b>Total</b>	<b>\$60,365,463</b>

10%

1%

2%

1%

1.50%

1%

10%

Load total

26.500%

Potential Additive

Alternates:

	construction	project
2nd floor on Centennial Hall	\$7,501,712	\$9,489,666
Demolish the existing Armory (JACC)	\$1,702,300	\$2,153,410
Paint Centennial Hall to match	\$198,008	\$250,480
New front Canopy at Centennial Hall	\$209,597	\$265,140
Add for Orchestra Pit Lift instead of platforms	\$310,000	\$392,150

SUBTOTAL \$12,550,846

TOTAL \$72,916,309

**Where Do We Stand Today**

prepared on 1/16/2024

**Cash On Hand:**

1)	Merrill Lynch net worth:		
	a. Partnership Operating account:	\$ 403,663.00	
	b. Partnership Investment account:	\$ 2,287,983.00	
		\$ 2,691,646.00	
2)	Wells Fargo Partnership account:	\$ 82,343.00	
3)	Juneau Community Foundation:		
	a. Capital Civic Center Designated account:	\$ 120,494.55	
	b. Fred K. Koken Fund:	\$ 1,000,000.00	
	c. Shelton Fund	\$ 100,000.00	
	d. Bill and Katie Corbus - Performing Arts Center Fundraising and Operating Endowment Fund yields \$50,000 annually for fundraising/planning, and then for operations after built.		
	\$52,000 annual Corbus distribution not included here	\$ 1,220,494.55	
<b>Total Cash:</b>		<b>\$ 3,994,483.55</b>	

**Matching Grants:**

1)	NEH \$750,000 – Match completed 2024	<b>Total:</b>	<b>\$ 750,000.00</b>
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**Corporate, Foundations, Government, or Personal pledges to be paid :**

1)	CBJ CLIA Marine Passenger Fees:	\$ 10,000,000.00	(3,000,000 – completed)
	CBJ Design Funds	\$ 1,800,000.00	
	CBJ Federal Match	\$ 5,000,000.00	
2)	Murdock Foundation approved	\$ 650,000.00	
3)	Rasmuson Foundation	\$ 1,500,000.00	*
	<i>* We must match \$1,000,000</i>		
4)	Richard L and Diane M Block Family Foundation	\$ 250,000.00	*
	<i>* To receive the first \$100,000 we must raise \$300,000</i>		
5)	Carr foundation	\$ 150,000.00	
5)	Individual pledge balances due: (Groundbreakers, Block Builders, 50 for the Future donors)	\$ 424,075.00	
	<b>Total:</b>	<b>\$ 19,774,075.00</b>	

**Sub Total Cash + Commitments: \$ 24,518,558.55**

**Targeted Donations from other Foundations, Governments, Private:**

1)	Government request postponed to 2025	\$ 15,000,000.00	
2)	Private Individual (in negotiation)	\$ 1,500,000.00	
3)	Private Family (in negotiation)	\$ 1,000,000.00	
4)	Private Foundation (s) being researched	\$ 13,000,000.00	
5)	Contractor Inkind Armory tear down and site prep	\$ 5,000,000.00	

**Sub Total Pending Requests and Research: \$ 35,500,000.00**

**Total: \$ 60,018,558.55**

**Funds spent so far on project: \$2,817,071** (does not include the Centennial Hall reno)

**Accomplished:**

Active fundraising activities and campaigns resulting in the funds to date

Drawings, initial Centennial Hall renovations completed

Embarking on final designs.

Note that future operating and fundraising expenses come from the Operating Account funds provided by the JCF fund

Donors	Juneau	Statewide	Out of State	Total
Major donors (>\$10,000)	34	2	7	43
Groundbreakers (Pledged \$10,000, some paid some pending)	80	5	10	95
50 for the Future (Pledged \$600, some paid some pending)	14		4	18
Block Builders (donations toward the Block challenge)	8			8
Rasmuson Matchmakers (new program)	1			1
Donors to the JCF Capital Civic Center fund	10			10
Other donors	495	32	64	591
<b>Total</b>	<b>642</b>	<b>39</b>	<b>85</b>	<b>766</b>

NWA Job Number		NWA-1618.1	NWA-2113	NWA-2218	NWA-2324	
Project	<b>PAC</b>	<b>NJACC</b>	<b>CCC 1</b>	<b>CCC 2</b>	<b>NJACC/CCC</b>	
Year	2003	2017	2021	2022	2024	
Squar Footage Affected	125,000	43,000	67,740	61,402	44,000	
Construction Cost (with FF&E and site, demo)	\$48,000,000	\$28,000,000	\$63,975,000	\$53,520,000	\$50,950,566	
Project cost factor 126.5%	\$60,720,000	\$35,420,000	\$80,928,375	\$67,702,800	\$63,603,743	
less work completed, centennial hall 2022-2023	N/A	N/A	-\$6,300,000	-\$6,300,000		
less site development and demo by others	Included	Included			-\$3,960,337	
adjusted construcion cost			\$57,675,000	\$47,220,000	\$46,990,229	
adjusted Project cost in year developed	\$60,720,000	\$35,420,000	\$71,517,000	\$58,552,800	\$58,593,917	
escalated to 2004	3.0%	\$62,541,600				
escalated to 2005	3.0%	\$64,417,848				
escalated to 2006	3.0%	\$66,350,383				
escalated to 2007	3.0%	\$68,340,895				
escalated to 2008	3.0%	\$70,391,122				
escalated to 2009	3.0%	\$72,502,855				
escalated to 2010	3.0%	\$74,677,941				
escalated to 2011	3.0%	\$76,918,279				
escalated to 2012	3.0%	\$79,225,828				
escalated to 2013	3.0%	\$81,602,603				
escalated to 2014	3.0%	\$84,050,681				
escalated to 2015	3.0%	\$86,572,201				
escalated to 2016	4.0%	\$90,035,089				
escalated to 2017	4.0%	\$93,636,493				
escalated to 2019	5.0%	\$98,318,317	\$29,400,000			
escalated to 2018	5.0%	\$103,234,233	\$30,870,000			
escalated to 2019	5.0%	\$108,395,945	\$32,413,500			
escalated to 2020	6.0%	\$114,899,701	\$34,358,310			
escalated to 2021	7.0%	\$122,942,681	\$36,763,392			
escalated to 2022	7.0%	\$131,548,668	\$39,336,829	\$61,712,250	\$50,525,400	
escalated to 2023	7.0%	\$140,757,075	\$42,090,407	\$66,032,108	\$54,062,178	
escalated to 2024	6.0%	\$149,202,500	\$44,615,832	\$69,994,034	\$57,305,909	
escalated to 2025	6.0%	\$158,154,649	\$47,292,781	\$74,193,676	\$60,744,263	
Escallated <u>Construction Cost</u> to 2026	6.0%	\$167,643,928	\$50,130,348	\$78,645,297	\$64,388,919	\$46,990,229
2026 with Project cost factor (estimated)	26.5%	<b>\$167,643,928</b>	<b>\$63,414,891</b>	<b>\$99,486,300</b>	<b>\$81,451,983</b>	<b>\$59,442,640</b>
Average cost/sf today		\$1,341	\$1,475	\$1,469	\$1,327	\$1,351
	JPAC		Minimal sitework	Excluding recent CH work	Excluding recent CH work	Excluding Site Development
	2003 concept project		No work in CH	Addition to CH w/ reno	Addition to CH w/ reno	Addition to CH, minor reno
			Including JACC demo	Including JACC demo	Including JACC demo	Including JACC demo
			Including all FF&E	Including all FF&E	Including all FF&E	Including all FF&E
						Includes painting of CH
						Includes new canopy at CH



City and Borough of Juneau  
 City & Borough Manager's Office  
 155 Heritage Way  
 Juneau, Alaska 99801  
 Telephone: 907-586-5240 | Facsimile: 907-586-5385

TO: Deputy Mayor Smith and Committee of the Whole  
 FROM: Katie Koester, City Manager  
 DATE: January 24, 2025  
 RE: Capital Civic Center Update and Next Steps

The Partnership, advocates for the Capital Civic Center project, are before you today to provide a project update. If you recall, they were here last on August 5, 2024, where they presented [a phased project that concentrated](#) on the performing arts center with a large empty space connecting the two buildings. This design took away 49 parking spaces and introduced a 15,000 square foot commons without a clearly demonstrated need for such a large additional space.

Since then, the Partnership has pivoted towards a phased version of where the project left off in 2022 as a joint facility and proposed building the arts components as phase one and postponing phase two improvements unique to Centennial Hall to control costs. The joint project lost steam in 2022 due to a price tag upwards of \$75M.

This memo updates the Assembly on the direction given to CBJ staff at the August COW and requests additional direction on spending appropriated funds on design.

At the [August 5, 2024](#) meeting, the Assembly directed staff to work on 4 items.

1. **A detailed parking analysis.** This analysis is simplified, with the project eliminating the commons that took up 49 parking spaces. The parking analysis by CDD in [July of 2024](#) indicates there are 522 parking spaces on the entire block, 331 of which are owned by CBJ. Preliminary analysis of the updated 2022 version of the plan indicates a loss of 33 parking spaces from the immediate vicinity. Full analysis of the impact to parking for the entire block will be performed by CDD in the next few months.
2. **Design of a commons joining the two facilities.** After consultation with staff, the Partnership eliminated the commons from the design and replaced it with an expanded lobby.
3. **Legal research on public private partnerships including model contracts.** CBJ has struggled on how to formalize the relationship between the Partnership, an organization with the sole purpose of fundraising and advocating for the Capital Civic Center, and CBJ who will end up owning and operating the facility. One model that preserves CBJ oversight of the project would be to hire the Partnership's project manager as a temporary employee. Another option would be to enter into an MOA that clearly outlines the roles and responsibilities of each entity. Under any agreement, CBJ procurement and code would have to be followed which includes not being able to award a bid for construction without having full funding on hand. Discussions are ongoing on how to best preserve both parties' interests.
4. **Preliminary design and cost estimating for improvements to Centennial Hall that are more efficient to build concurrent with the construction of the commons – HVAC upgrades and expanding the lobby.** Improvements to Centennial Hall that were identified in 2019 and are outside of the Partnership proposal total \$48.2M escalated to FY26. Of that, the improvements that make the most sense to do concurrently with a large project are highlighted below. There may be additional costs of aligning the mechanical systems, connecting the buildings, etc. that haven't been accounted for in the CCC project.

Project	Total Cost
HVAC Only at Meeting Rooms	\$2,000,000
Exterior Upgrades - Painting/Siding Repair, Window and Door Replacement	\$998,000
Lobby Renovation and 3,000 SF Expansion	\$6,053,000
Second Floor Addition, HVAC and Finish Upgrades to Meeting Rooms	\$20,582,000
Second Floor Addition only	\$18,628,000

**Totals: \$48,261,000**

- Projects that make sense to combine with Capital Civic Center construction.
- Projects that are needed ASAP regardless of CCC construction

**Operations, Maintenance and Programs**

In 2024 CBJ staff, in consultation with JAHC who manages Centennial Hall, estimated CCC maintenance and operating costs at \$1.4/ square foot a month. This equates to \$739,200 annually for the proposed 44,000,000 square feet that would be added to the complex. We don't have a current business analysis of the cost of operating the performing arts component and the revenue it would bring in, but for a frame of reference we currently contract with the JAHC to manage Centennial Hall at a cost of \$388,400 annually.

**Conclusion**

The Partnership has an ambitious schedule of getting to 65% design by October of 2025. To do that, they would like to keep working with their architect, Northwind, to keep the project moving. As the project owner, we have a role to play in applying for permits, vacating lot lines, ensuring design decisions are consistent with our interest in lower long-term operations and maintenance costs, etc. It is important for the Assembly to give this project the green light to get to the next phase, and the best way to do that is by investing real dollars so we can get answers to questions, chief among them more accurate cost estimates. Of the \$2M that was appropriated for design, \$1.8M remains. Bringing the project to 65% design should cost less than \$2M. I would like direction from the Assembly to spend \$1M of the remaining design funds to advance this project. CBJ could proceed in a number of different ways.

- 1) Award the Partnership a grant for design, and develop a robust MOA that includes checks and balances to preserve CBJ interests including paying the grant in phases and requiring a sustainability consultant perform a lifecycle cost analysis of the building systems. This option allows the Partnership to maintain their schedule, keep their preferred design firm, and gives them the responsibility of managing the various stakeholder groups.
- 2) Direct CBJ staff to design CCC to 65%. This gives CBJ maximum control over the project and design decisions. However, we would have to RFP design services, adding months to the design schedule. We would also struggle with staff capacity to manage a project of this size and would need to look at bringing on additional staff.
- 3) If the Assembly decides not to proceed with funding design, the Partnership will likely look for other funding sources, including the significant donations and grant award they have been able to procure for the project. In that case, it would still be useful to get Assembly direction on CBJ level of involvement.

**Recommendation:**

Provide direction on spending appropriated funds on design for Capital Civic Center as presented by the Partnership. \$1.8M remains from the [original appropriation for Capital Civic Center design in 2022](#).



Capital Civic Center  
Juneau, AK 2025

Facility  
Design  

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April 2019

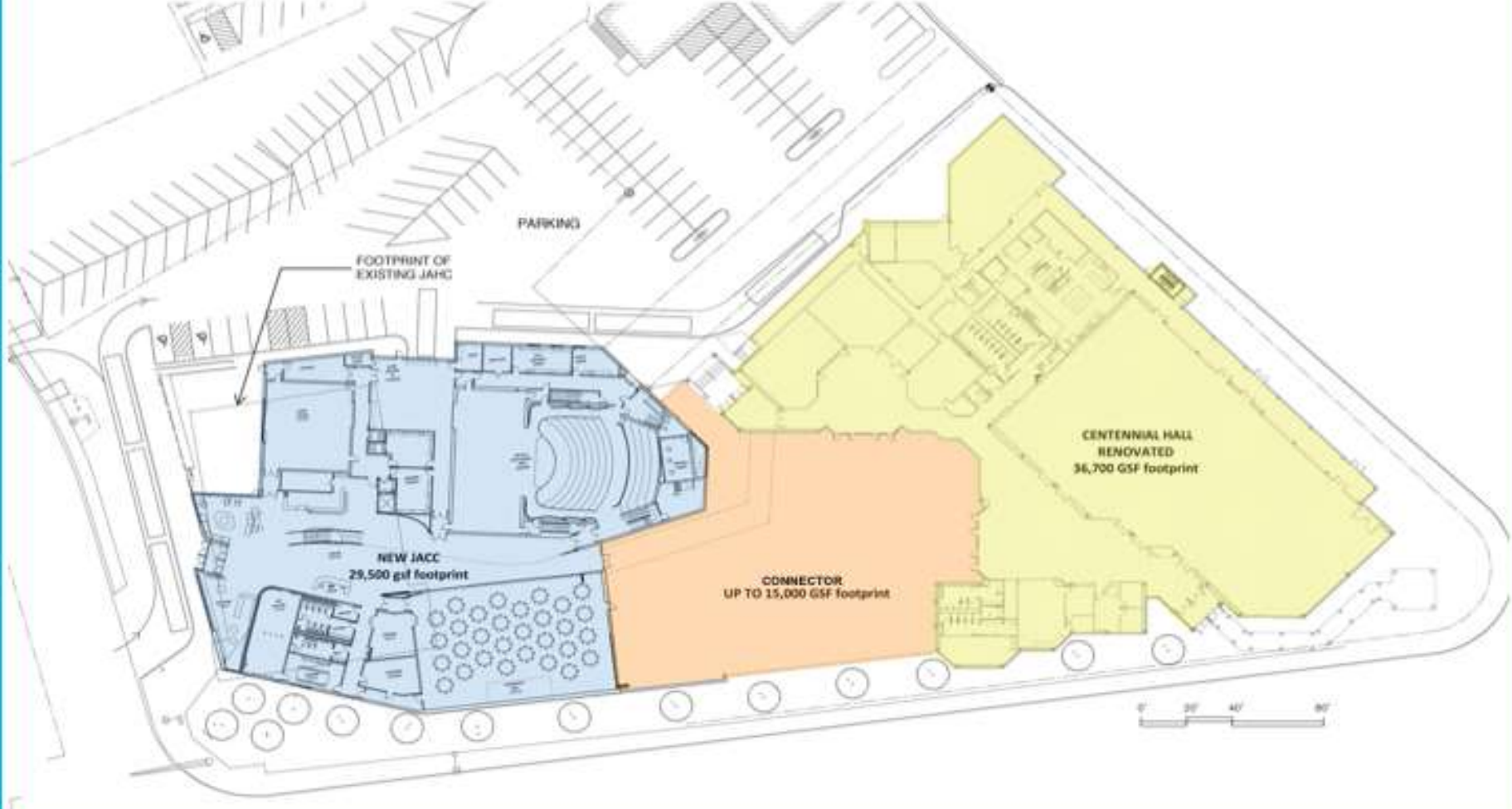


SITE PLAN



# Facility Design

July 2024



## Capital Civic Center Combined Facility

Northwind Architects, LLC  
Juneau, AK  
July 2024

Facility  
Design  
January  
2025

Section I, Item 7.

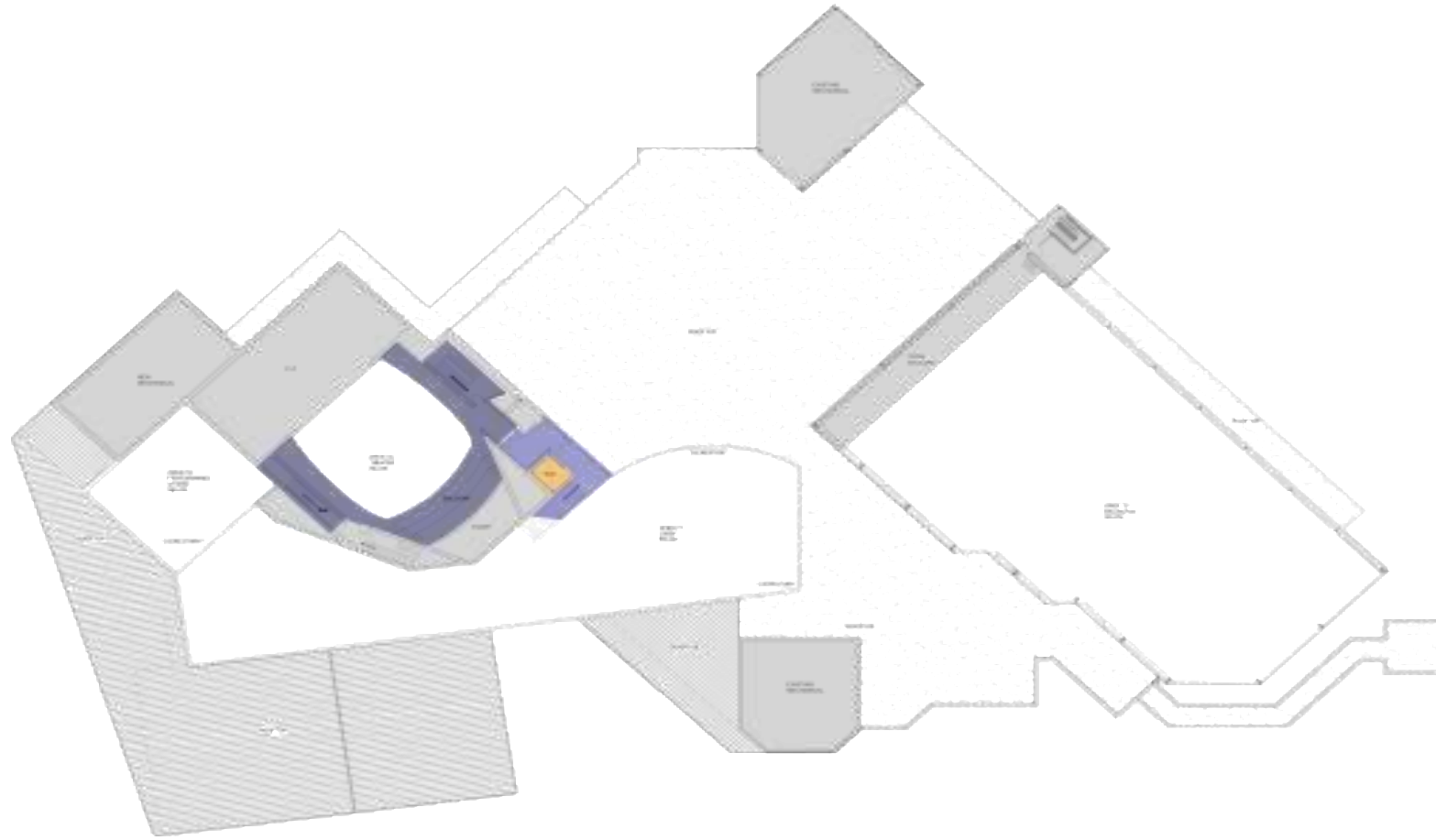


CAPITAL CIVIC CENTER DESIGN - FL 1

Facility  
Design  

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January  
2025



○ CAPITAL CIVIC CENTER DESIGN - FL 2





















