

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office
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TO: Wade Bryson, Chair of the Assembly LHED Committee
FROM: Dan Bleidorn, Lands and Resources Manager *Daniel Bleidorn*
SUBJECT: Request to Purchase CBJ Property located at 2nd St. and Franklin St.
DATE: May 1st, 2025

On April 4, 2025, the Lands Office received a request to purchase property from James Bibb at NorthWind Architects, representing The Great North Inn & Residences. This CBJ property is located at the corner of 2nd Street and Franklin Street and is currently utilized as a surface parking lot. The application proposes purchasing the property from the CBJ at fair market value and build "a project of about 15 floors with street access for commercial tenants along Franklin Street" and that "the goal of this level of proposed density is to contribute to the direct opportunities of this specific site... Further, the current vertical density of the Baranof Hotel provides a shoulder where the efficiency of the stacking program complements the existing neighborhood." This property is zoned MU, and in the MU district there are no setbacks, no height restrictions, no lot coverage restrictions, and no maximum density limitations. This parcel is also located in the *No Parking Required Area* and the location also allows the project to qualify for CBJ 12-year tax abatement.

The Assembly has considered the disposal of the property located at the corner of 2nd Street and Franklin Street numerous times over the past decade. In 2014 the CBJ received a request to purchase this property from Juneau Legacy Properties (JLP). After consideration, the LHED Committee authorized a 30-day RFP for additional proposals and no additional proposals were received. After the JLP failed to provide additional information that was needed to move the proposal forward, the application was eventually terminated by the Assembly.

In 2016 the CBJ received another request for the purchase and development of this property for housing from Eagle Rock Ventures (ERV). Again, the CBJ solicited additional proposals which resulted in 1 additional proposal being received. The second proposal was again from JLP. The outcome of the RFP was to work with ERV. After additional evaluation of the site by ERV, there were concerns with the parking requirements which led to the project being financially infeasible. The outcome of this application was the creation of the No Parking Required Area as outlined in [Ordinance 2024-20 Exhibit A](#).

This property is included in the 2025 Adopted Assembly Goals under "Continue planning and implementation of (re)development of Telephone Hill, Pederson Hill, 2nd/Franklin, and CBJ land recently re-zoned to encourage density." If this property is developed as

proposed it would provide multiple types of housing downtown and seems to comply with the expectations evaluated during the Assembly's previous redevelopment attempts.

According to 53.09.260 (a) "The proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations for the lease, sale, exchange, or other disposal of City and Borough land." If it is determined by the full Assembly to consider this disposal through direct negotiations, then the proposal submitted provides a preliminary concept which would be updated pending Planning Commission and Assembly review. Any substantial changes to the proposal would be brought back to the LHED Committee for discussion and the Committee would receive regular updates from The Great North Inn & Residences. The applicant provided Attachment 2, which broaches the topic of CBJ financial support. If this project moves forward, any discussion of financial support for this development will be brought to the Assembly when more financial information and analysis is available.

Staff request that the Lands, Housing, and Economic Development Committee forward this application to the Full Assembly with a motion for direct negotiations with the original proposer as per 53.09.260 (a).

Attachments:

1. James Bibb NorthWind Architects: Re: Interest in 2nd and North Franklin Properties
2. James Bibb NorthWind Architects: Re: Level and Format of CBJ Financial Support
3. Site Diagrams from NorthWind Architects