



**Alaska Department of  
Transportation & Public Facilities**

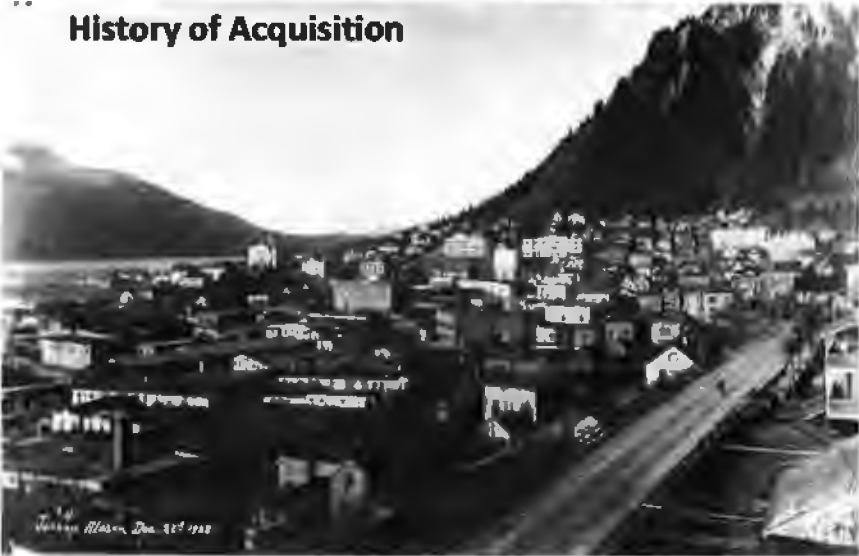
**TELEPHONE HILL Property Management**

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May 2, 2019

Our mission is to *Keep Alaska Moving* through service and infrastructure.

**TELEPHONE HILL**

**History of Acquisition**



Telephone Hill, Dec. 21st 1928

5/2/2019

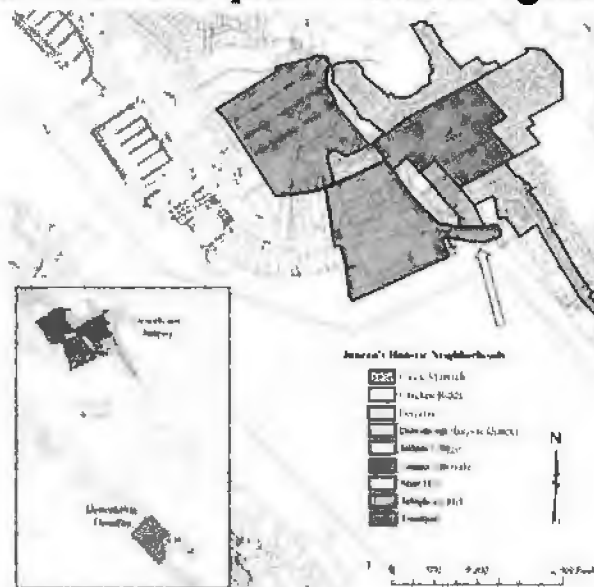
## The Historic Telephone Hill Neighborhood

**Telephone Hill**, located within the original Juneau Townsite, and was one of the first areas claimed by early settlers. With its sweeping view of Gastineau Channel and Douglas Island, the hill has been an attraction throughout the area's history of habitation. This conspicuous promontory is located on the southern portion of the area formerly known by local residents as **Court House Rock**. The neighborhood lies south of Third Street and is bordered by Main Street and Willoughby Avenue. The upper portion, north of Third Street, was once the location of the Government Court House until the late 1960's.



5/2/2019

## The Historic Telephone Hill Neighborhood



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- **1881:** US Navy Commander Henry Glass established a site for a military barracks. The land was declared an official government reserve and the site was utilized for a year.
- **1883:** Edward Webster, of the Juneau and Douglas Telephone Company built his home and office on the hill and connected the first telephone lines across the Gastineau Channel to Douglas, prompting the name **Telephone Hill**.



Joseph Edward Webster



5/2/2019

- **1893:** Juneau's first court house was constructed on the northwest end of the hill which prompted that portion to be named **Court House Rock**.
- **1898:** The first court house was destroyed by fire.
- **1904:** Courthouse rebuilt and remained on the site until razed to make room for today's State Office Building.



Juneau,  
Alaska  
Courthouse  
and  
Municipal  
Hall  
1910

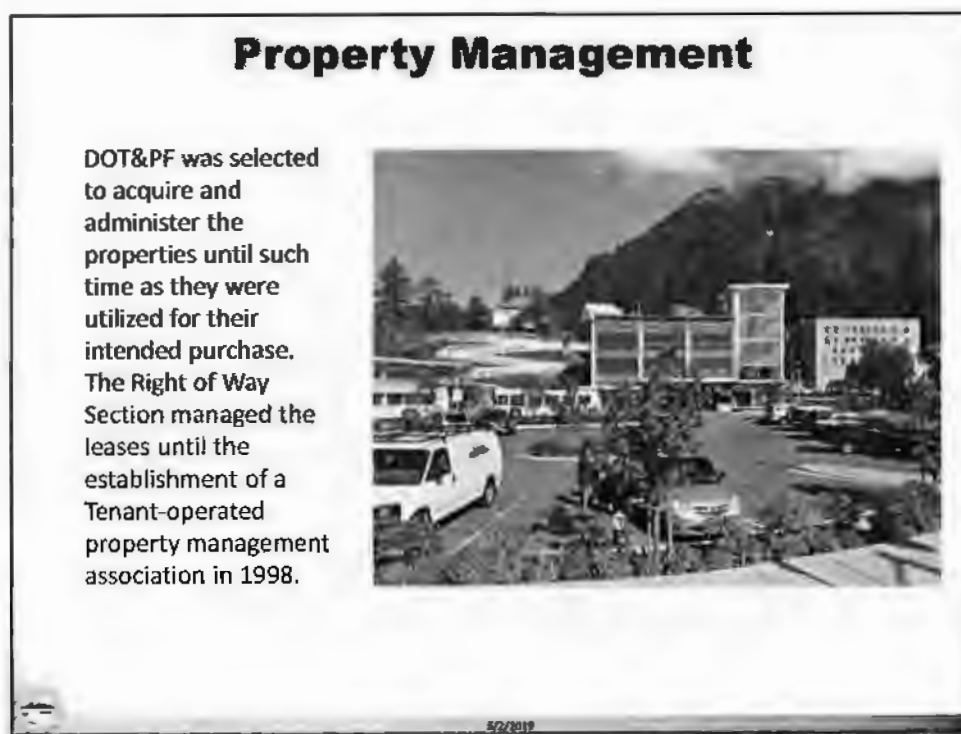


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- **1971:** The Alaska State Legislature authorizes funds for purchasing properties surrounding Telephone Hill for the purpose of state offices.
- **1975:** Alaska state election voted to move the capital from Juneau to Willow.
- **1977:** Alaskans rejected the budget to move the capital out of Juneau.
- **1983:** The City of Juneau entered into a Cooperative Use Agreement with the State of Alaska to purchase properties on Telephone Hill for the purpose of creating a new capitol building or legislative hall; Juneau's input was \$2 million.
- **1984:** DOT&PF Right of Way acquired seven properties for \$4.6 million; \$2.8 million of which was through condemnation.

5/2/2019





## Property Management

The Telephone Hill Neighborhood Non-Profit Management Corporation was tasked with collecting rents and insuring needed repairs were accomplished. DOT&PF would consider major maintenance repairs on a case-by-case basis up to \$10,000 per unit, per repair request. There is currently \$479,543.78 in the project trust account.



## Property Management

In 2006 a new lease agreement was rejected by the Association. The leases were then handled on a month to month basis under the Alaska Uniform Landlord and Tenants Act. Another attempt to reach a mutually beneficial lease agreement was rejected in 2013.

The lease in place was written in 2001. Rents were adjusted in 2011, but do not reflect current economic rents for area leased residential properties. The total rent collected is \$13,350/month or \$160,200 yearly. The state receives \$4,400/month or \$52,800 yearly. The Association retains the remainder for on-going maintenance expenses, and management services.



### 203 W. Third St.

203 W. Third St. is a 5-unit apartment building with a total monthly income of \$4,100. Built in 1947 the structure was used at one time as an elementary school.



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## 203 W. Third St.

The structure is in Average condition for its age, demonstrating deferred maintenance in the mechanical structures and exterior siding. The roof was replaced in 2000. Separating utilities has been determined to be cost prohibitive.



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## 214 Dixon St.

214 Dixon St. is a 2-story, 3-bedroom, 1.5 bath single-family residence built in 1913. Living space is 1,840 sf, with a 900± unfinished basement. Property has a 200± sq. ft. garage. Originally the rent was \$1,700 a month; in 2011 rent was reduced to \$1,500 due to deferred maintenance.



5/2/2019



## 214 Dixon St.

The furnace is newer, the interior walls and floors are in average condition; some of the plumbing has been redone. The roof has a bit of moss that should be removed. There is a garage with this unit. The house is in Fair condition for its age.



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## 211 Dixon St.

211 Dixon St., built in 1917 is a 1,948 sq. ft. single family home. At one point in the past it was converted into three apartments but currently has been restored to single family use. However, DOT&PF ROW Property Management agents have noticed food preparation in all three kitchen areas. Current rent \$1,400.



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## 211 Dixon St.

The roof leaks and there is some water damaged interior ceiling area. The furnace is older, the plumbing is a mixture of copper & iron pipe, some of the pipes looked to be wrapped in asbestos. There have been drainage issues in the basement in the past which is likely a reoccurring problem. The house is considered to be in Fair condition for its age.



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## 135/139 W. Second St.

135/139 W. SECOND ST. totaling 3,297 SQ. FT., was built in 1872. The property is divided into two units; the front (135 W. 2nd St.) is supposedly used only for storage.

135 W. 2nd is 705 sq. ft. and has two rooms with  $\frac{3}{4}$  bath. Rent is \$600 a month.

139 W. 2nd is 2,592 sq. ft. and has 3 bedrooms and two baths. Rent is \$1500 a month.



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## 135/139 W. Second St.

The roof supposedly was newer in 1990 but there is evidence of leaks. The storage renter states he places buckets on the floor to catch the roof leaks.

The exterior is sided in asphalt shingles which are in poor condition. The furnace is an old maintenance intensive unit with what likely are asbestos covered pipes. This residence is in Poor condition for the age.



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## 128 Dixon St.

128 DIXON ST. is a 1.5-story single family unit with a basement apartment built in 1935. The basement was installed more recently.

The upper unit has 2 bedrooms and 1 bath, about 1,080 sq. ft. The lower unit is in average condition with one bedroom and one bath at about 480 sq. ft. The unit is rented together for \$1600/month.



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## 128 Dixon St.

The furnace is older maintenance intensive unit. The plumbing appears to be a mixture of older iron and newer copper.

The basement likely is not equipped with an ingress/egress window and would not now be compliant to municipal code.

The residence is in Fair condition.



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## 124 Dixon St.

124 DIXON ST. is a 1.5-story single family unit with 3-beds, 1.5-baths, built in 1910. Current rent is \$1400/month.



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## 124 Dixon St.

This unit has a fairly new, upgraded composition shingle roof surface in good condition. The furnace is a relatively old forced air unit. The below grade area has a finished bedroom as well as an unfinished utility room. It's necessary to walk through the utility room to access this bedroom. The house is in Average condition for the age.



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## 125 Dixon St.

125 DIXON ST. is a 1-story single family unit with 2-beds, 1.5-baths, of approximately 1,464 sq. ft., built in 1900. Current rent is \$1600/month.



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## 125 Dixon St.

The furnace is an old boiler type. Roof is older and need to be replaced. Plumbing is a mixture of older and newer. The house is in Average condition for the age.



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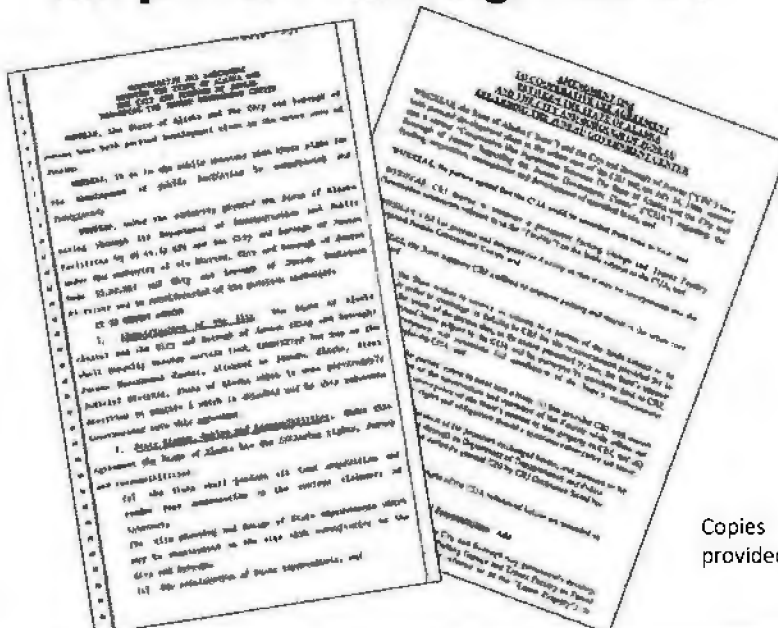
## TELEPHONE HILL

Legal Questions to Use or Disposition



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## Cooperative Use Agreement



Copies  
provided

## Obligations to CBJ

The initial funding from CBJ in 1984 was \$2,000,000. Per the Agreement (Para. 4), the CBJ is entitled to reimbursement of the funding, plus 5% simple interest, if the State's Government Center is not developed within 10 years. Under the 2008 Amendment (Para. 4), interest stopped accruing and the State's repayment obligation was capped in 2008 at \$6,400,000. The State's reimbursement obligation will be satisfied upon conveyance of the State's quitclaim for the Parking Garage/Lot portion of Telephone Hill.

### **Alaska Statute 35.20.070**

The department may vacate land, or part of it, or rights in land acquired for public work purposes by executing and recording a deed in the appropriate recording district. Upon vacating, title reverts to the persons, heirs, successors, or assigns in whom it was vested at the time of the taking. The department may transfer land considered no longer necessary for public works purposes to the Department of Natural Resources for disposal. The proceeds of disposal by the Department of Natural Resources shall be credited to the funds from which the purchase was originally made.

5/2/2019

### **TELEPHONE HILL**



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