Additional Materials Regular Planning Commission Meeting

Assembly Chambers 6:00pm Meeting Date: 4/8/2025

1. USE2025 0008:

a. Memo: Ilsa Lund, Use of Floyd Dryden



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COMMUNITY DEVELOPMENT

April 4, 2025

MEMORANDUM

To:Chair Cole, and Planning CommissionersFrom:Ilsa Lund, Planner IThrough:Jill Lawhorne, AICPParcel No.:5B2401000020Legal Description:USS 2084 LT 1ACase Number:USE2025 0008

RE: Use of Floyd Dryden

During the January 27, 2025, Assembly Lands, Housing, and Economic Development (LHED) Committee meeting, the committee members unanimously passed a motion in support of leasing space in Floyd Dryden to Central Council of Tlingit and Haida (CCTHITA) Early Education and the University of Alaska Southeast (UAS) School of Education (Attachment A).

The applicant for USE2025 0008, Ms. Sekona, had planned to partner with UAS as part of her operations, as outlined in Attachment B. However, during the March 17, 2025, LHED Committee meeting, a memo was presented to the committee detailing that UAS staff, in negotiations with CBJ staff, did not have the authority within the University of Alaska system to lease the requested space from the City. The committee was then asked to authorize the City Manager and Attorney to draft an ordinance permitting the lease of up to 60,000 square feet of Floyd Dryden to CCTHITA Early Education (Attachment C), which was approved by unanimous consent.

The motion's wording does not exclude other potential lessees or uses within Floyd Dryden but provides CCTHITA the option to lease the majority of the building, excluding areas designated for public use by CBJ Parks and Recreation. During the meeting, Deputy City Manager Barr clarified that CCTHITA intends to use two-thirds of the building for Early Education programs, with the remaining space allocated for after-school programs for middle school-aged students.

A conversation with Mr. Bleidorn on March 19, 2025, informed staff that, while Ms. Sekona has been working to obtain a Conditional Use Permit, no further progress has been made in lease negotiations since UAS withdrew from the discussions. Additionally, Ms. Sekona has indicated to Mr. Bleidorn that she does

not wish to pay for the use of the facility. Mr. Bleidorn further informed staff that CBJ would not lease to a for-profit entity at a rate below fair market value.

Efforts to contact CCTHITA for comment or clarification have not been returned. At this point, it remains unclear whether Ms. Sekona would be able to sublet rooms within Floyd Dryden from CCTHITA for the operation of Glacier Bears Day Care.

Attachments

- A- January 27,2025, LHED Meeting Minutes
- B- January 30, 2025, Memo from Dan Bleidorn to the Assembly
- C- March 13, 2025, Memo from Dan Bleidorn to LHED

ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

January 27, 2025 at 5:00 PM

Assembly Chambers/Zoom Webinar

https://juneau.zoom.us/j/94215342992 or 1-253-215-8782 Webinar ID: 942 1534 2992

CITY AND BOROUGH OF

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

Members Present: Acting Chair Paul Kelly, Ella Adkison, Neil Steininger Additional Assemblymembers present: Mayor Beth Weldon

Members Absent: Wade Bryson

Liaisons Present: Paulette Schirmer, PRAC liaison

Liaisons Absent: Jim Becker, Docks & Harbors Committee liaison; Lacey Derr, Planning Commission liaison Staff Present: Dan Bleidorn, Lands Manager; Roxie Duckworth, Lands and Resources Specialist Members of the Public Present: Central Council Tlingit and Haida Indian Tribes of Alaska (CCTHITA) representatives: President Richard Chalyee Éesh Peterson, Roald Helgesen, and Ethan Petticrew; UAS Dean of Education Carly Simon; Kevin Ritchie, Juneau Animal Rescue Board Member at Large

- D. APPROVAL OF AGENDA approved as presented
- E. APPROVAL OF MINUTES 1. December 2, 2024 Draft LHED Minutes approved as presented
- F. AGENDA TOPICS
 - 2. Future use of the former Floyd Dryden Middle School for Childcare

Mr. Bleidorn discussed this topic. Mr. Petticrew gave an overview from CCTHITA Early Education. UAS School of Education Dean Simon provided a video and overview.

Mayor Weldon noted that they are excited about all of the programs and looking forward to negotiations with Tlingit and Haida. She was going to ask how many kids, and you answered that by saying 90 to 100, and you'd like to get up to 130. Mr. Helgesen added that they will also be looking at the previous library space for older children and our navigators, or wayfinders, programs for after school into the early evening. We'll be offering a safe place for them to be able to do homework and activities. We see this as a great opportunity to not only have our early education staff here to support the youth, but also our middle school aged support staff. President Peterson commented that he heard Mr. Petticrew mentioned the Little Eagles and Ravens Nest Learn, and that we had to cut back enrollment and it was actually because of space and not staff. With the bigger space at Floyd Dryden, our hope is to be able to increase our daycare exponentially. While we do definitely use our cultural as a basis, be very clear that both Head Start and Learn are open to all citizens, all community members of Juneau.

Mayor Weldon asked about cost, Tlingit and Haida is willing to play fair market value, although I can't say for sure if the Assembly will make them pay for fair market value. I'm interested to see how much UAS is willing to pay for rent. Dean Simon replied she is a former superintendent in Florida, and ran into a similar situation, where we had a school that was vacant due to declining enrollment and what we ended up doing, and our structure was slightly different – the school district owned the facilities they not the city, it ended up being my responsibility to determine what we needed to do. We handled K-12 curriculum and education of our students, but we also knew that we needed after school partners to help us with our school as well as early childcare and ended up leasing our facilities to make sure that we had these providers that did the wraparound supports for our students when they weren't in school. What I proposed when I brought this was to see if we could develop a collaborative environment. What

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we are running into is that there is a workforce shortage, and a lot of it has to do with the funding for individuals to get their degrees to be credentialed and to enter the early childcare field, which we know is one of our underpaid professional fields. We are not in a situation where we are going to be able to have funding to improve the facility that the city owns. I think that you're going to run into this situation with whoever would be in this position, Tlingit and Haida does have access to funding that we just do not. What we would like to contribute to this relationship is the education preparation, the collaborative working. We're excited about the opportunity to work with Tlingit and Haida, the indigenizing of our education. We have researchers who are working on early childhood education, and what many other universities across the world are doing in order to have indigenous early childhood education, play spaces, spaces where we are culturally responsive and supportive. Our relationship that we want to add as value to the city is also to have this collaboration. We have early childcare providers right now, your building has one provider who was impacted by the flood, and she is in the facility. What I found in our school district when we had our nonprofit partners is the synergy of having them all together allowed them to leverage their power to support their community. What we had in ours, which is what I would anticipate would be the relationship with Tlingit and Haida, because there are multiple age groups and families you end up being able to support the entire family. We will not have capital funding in order to improve the facility, but I do think that it's an investment in your asset, and the aspect that if it's not us that would be in that space, I think it is of the interest to have early childcare and the improvements that need to happen to the space, no matter what, because it is a middle school facility. I know that we have operators who would like to occupy that space, with one in there already, and we have another group with those 2 collaborating, we are anticipating 84 seats. Private operators are not going to have the capital funds to do this type of commercial improvement that needs to happen, such as bathrooms for all of the classrooms for the students, sinks that are for food and for traditional like restroom needs.

Mayor Weldon replied that she was talking about rent. Dean Simon replied that it would be in the same aspect. Our hope is to be able to provide wraparound support for the teacher preparation and the pipeline of educators to enter the field. We are in the business of educating educators. We're wanting to propose a collaboration to bring everyone together and to support the efforts to make sure that, not only do you have childcare provided, but you have high quality childcare by credentialed educators that will then also support your school district that make sure that kindergarten students are ready and prepared to engage school, which will also improve the quality of the schools.

Ms. Adkison moved that the Lands, Housing, and Economic Development Committee provide a motion of support to the Assembly for leasing space in Floyd Dryden for T&H Early Education and UAS School of Education. Motion passed unanimously.

3. Juneau Animal Rescue request to Lease CBJ property for less than fair market value

Mr. Bleidorn discussed this topic. Ms. Adkison was wondering, looking at the 10 acre parcel, how much land is JAR currently on and why the expansion. Mr. Bleidorn replied that his image had a polygon around the area that was previously disturbed and potentially available for leasing, excluding the pieces that are currently leased to the Food Bank and for the cell tower and FAA tower. Also on this property is an additional piece that runs west of here that has some undisturbed habitat on it that's not going to be available. I don't know if the final area has been determined for what JAR is looking for, but I believe it's between 2 and 3 acres. Mr. Ritchie replied that JAR is on .55 acres, which is pretty horrible. There isn't room to exercise the dogs, we have a little run about 20 feet wide in the back of the building. The architect that has helped us plan with the grant from the Association for the Prevention of Cruelty to Animals recommended 2.2 acres. One of the thoughts that we had is the land next to the Food Bank is really wet, it's expensive to develop. One of the things that would be nice about having more property there than we absolutely need is that there's a set of dikes that run throughout the area, and those can

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be turned into dog trails, animal walking trails, fairly easily and at some time in the future we might be filling in between some of those areas for things like dog parks and try to make this more of a community, kind of like the Castle Park. People would want to bring their animals there, and it would be good for recreation. But that for the future, we're not really looking at anything like that in the near future, but having that potential might be valuable. If the committee suggests that the lease might be a good idea, we'd start working with Parks and Rec and other organizations to see if that might be something they'd include in their future plans.

Mr. Steininger asked about total project cost estimates and where are they with fundraising. Mr. Ritchie replied that they have some loose estimates and it'd be impossible to really give you any kind of a number until we secure the property and then talk about what we need. We're working with a number of people in the community and got a high-end estimate from our architect, but in terms of value, engineering, and doing the types of things that can bring the cost down, that hasn't been done yet. In terms of fundraising, we're starting to fundraise, and we're going to see what the community has to offer. There's an amazing number of people that really support animals and the Juneau Animal Rescue facility in town, but it still remains to be seen if we can get a building out of that, so we'll be gearing that up. But to do that level of fundraising we do have to have a site and have a plan.

Mayor Weldon asked to confirm that JAR wants all 10 acres. Mr. Ritchie replied that they still need to work on that with the city, but it would be nice for the future. All we need at this point would be 3 to 4 acres, that would give us enough room to do the facility, more would be providing things potentially for the future. Mr. Bleidorn added that as the Lands Manager, we're going to negotiate the smallest piece possible, and then, if in the future something is needed, we can expand it in a similar way to which we did with the Food Bank. Mayor Weldon followed up to ask if they are not looking for site prep, money from CBJ, correct? Mr. Bleidorn replied that their application for the lease doesn't involve any requests, it's just for the property to see if it could be made available for this lease, then, at which time, if the Assembly determines that we should authorize the manager to negotiate, then a lot of the details are going to have to be worked out in, or at least defined in the lease.

Mr. Steininger moved that the Lands, Housing, and Economic Development Committee provide a motion of support to the Assembly for leasing CBJ property to Juneau Animal Rescue for less than fair market value in accordance with 53.09.260 and 53.09.270. Motion passed unanimously.

G. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

- Planning Commission Update none
- Docks and Harbors Board Update none
- Parks and Recreation Advisory Committee (PRAC) Update Ms. Schirmer gave an update from the PRAC that last Saturday, they did a walk around of several different facilities in the valley. We looked at the Field House, Floyd Dryden, Adair Kennedy, and in our last meeting we discussed the budget and fee schedules for the upcoming year.

H. STANDING COMMITTEE TOPICS - none

- I. NEXT MEETING DATE February 24, 2025
- J. ADJOURNMENT 5:50pm

MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office 155 Heritage Way, Juneau, Alaska 99801 <u>Dan.Bleidorn@juneau.gov</u> (907) 586-5252

TO: Mayor Weldon, and Members of the Assembly

FROM: Dan Bleidorn, Lands and Resources Manager

SUBJECT: Future use of the former Floyd Dryden Middle School for childcare

DATE: January 30, 2025

During the summer of 2024 the Public Works and Facilities committee (PWFC) completed a solicitation for proposals to lease space in the former Floyd Dryden Middle School. The building was vacated by the Juneau School District in July 2024. The submitted proposals were ranked by the PWFC and the proposal from T&H Early Education to use the building for "Early education programs & childcare" was tied for the top choice along with the community use of the gym for senior, adult, and youth sports and activities. The next highest-ranking use for the building was UAS with the proposed use of "Educational programs & childcare & workforce development". The Assembly Committee of the Whole (COW) reviewed the proposals and PWFC rankings at the August 5, 2024, meeting and passed two motions. First, a motion to direct staff to proceed with T&H Early Education to use up to 2/3 of the space in Floyd Dryden and the second motion was to authorize staff to negotiate with the proposers on space as per the ranking by PWFC.

CBJ staff met with T&H Early Education in November and began drafting basic terms and conditions for a lease based on the direction from the COW. T&H Early Education has also been working on a Conditional Use Permit, planning and designing interior remodeling, and working with CBJ Building Maintenance in order to begin to negotiate terms and conditions for the shared space. In Accordance with CBJ Code 53.09.260 the next step in this public process will be for the Full Assembly to provide a motion to negotiate with T&H Early Education. CBJ leases are authorized by ordinance after a LHED Committee review and Assembly public hearing. Attached is the T&H Early Education proposal that was submitted to the PWFC.

The CBJ Manager's Office met with the UAS School of Education and the executive director of Southeast Alaska Association for the Education of Young Children (AEYC) as UAS was the second highest-ranking proposal. UAS is interested in leasing the remaining 1/3 of the building. The University lease process is largely completed by the UA Land Office and UAS School of Education is determining their process for moving a lease forward. In Accordance with CBJ Code 53.09.260 the next step in this public process will be for the Full Assembly to

provide a motion to negotiate with UAS School of Education. CBJ leases are authorized by ordinance after a LHED Committee review and Assembly public hearing. Attached is the UAS school of Education proposal that was submitted to the PWFC.

In the time since the PWFC solicitation process, and as a result of the Glacier Lake Outburst on August 6, 2024, Glacier Bear Child Care has occupied a classroom in the building. This use is a result of an emergency declaration after the childcare location was affected by the flood. There is no existing lease for this space and the Assembly did not authorize this use under 53.09.260. Glacier Bear Child Care has been in talks with UAS to provide childcare under the proposed UAS program but has also requested to remain in the building after the emergency declaration expires in March. They currently do not pay anything to the CBJ in return for using the space. CBJ code does not allow for a lease of CBJ property to a forprofit business for less than fair market value. As a potential sublease of the UAS lease, Glacier Bear Child Care has begun the process to apply for a Conditional Use Permit but has stated that they are not interested in leasing any space at fair market value and they are only interested in leasing space at zero cost.

The current estimate of the cost to maintain the building is \$1.97 per square foot. Fully funding the maintenance is crucial to current and future uses of the building regardless of if the building is leased for less than fair market value. T&H Early Education's proposal included the expectation that the lease costs would be fair market value. UAS School of Education requested the space for no cost. The Parties will need to negotiate the necessary renovations, shared space, security, custodial, utilities, parking, plowing, internet, pickleball and the State of Alaska Mendenhall Valley air quality monitoring station that is on the roof before any final leases will be signed.

The COW reviewed the proposals and the PWFC rankings at the August 5, 2024, meeting and passed a motion to direct staff to proceed with T&H Early Education to use up to 2/3 of the space in Floyd Dryden and second motion to authorize staff to negotiate with the proposers on space as per the ranking by PWFC. At the February 3, 2025, Assembly meeting the Manager will request that the Assembly provide a motion to enter into direct negotiates for each of these leases in accordance with 53.09.260(a). At a future date, and accordance with 53.09.260(b), "after review by the Assembly Lands Committee, and authorization by the Assembly by ordinance, the manager may conclude arrangements for the lease, sale, exchange, or other disposal of City and Borough land."

Staff request that the Lands, Housing, and Economic Development Committee provide a motion of support to the assembly for leasing space in Floyd Dryden for T&H Early Education and UAS School of Education.

Attachments as digital links:

- 1. Koester Memo to the COW on 08/05/24: Floyd Dryden and Marie Drake Proposed Uses
- 2. Floyd Dryden site diagram and layout
- 3. Floyd Dryden Building Costs Breakdown

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MEMORANDUM

CITY/BOROUGH OF JUNEAU

Lands and Resources Office 155 Heritage Way, Juneau, Alaska 99801 <u>Dan.Bleidorn@juneau.gov</u> (907) 586-5252

TO:	Wade Bryson, Chair of the Assembly LHED Committee
FROM:	Dan Bleidorn, Lands and Resources Manager Daniel Blaidorn
SUBJECT:	Tlingit and Haida Early Education Floyd Dryden Lease
DATE:	March 13, 2025

During the summer of 2024 the Public Works and Facilities Committee (PWFC) completed a solicitation for proposals to lease space in the former Floyd Dryden Middle School. The building was vacated by the Juneau School District in July 2024. The submitted proposals were ranked by the PWFC and the proposal from T&H Early Education to use the building for "early education programs & childcare" was tied for the top choice along with the community use of the gym for senior, adult, and youth sports and activities.

The Assembly Committee of the Whole (COW) reviewed the proposals and PWFC rankings at the August 5, 2024, meeting and passed two motions. First, a motion to direct staff to proceed with T&H Early Education to use <u>up to 2/3 of the space</u> in Floyd Dryden and the second motion was to authorize staff to negotiate with the proposers on space as per the ranking by PWFC. Based on the direction from the COW, CBJ staff met with T&H Early Education in November and began drafting basic terms and conditions for a lease.

T&H Early Education has been working on a Conditional Use Permit (CUP), planning and designing interior remodeling, and working with CBJ Building Maintenance in order to negotiate terms and conditions for the shared space. At the January 27, 2025, meeting, the Lands, Housing, and Economic Development Committee provided a motion of support to the Assembly for leasing space in Floyd Dryden for T&H Early Education and UAS School of Education. At the February 3, 2025, meeting, the Assembly passed a motion of support to work with Central Council Tlingit and Haida Indian Tribes of Alaska towards the disposal of city property through a negotiated lease. The CUP was approved as recommended at the February 25, 2025, Planning Commission Meeting.

In the time since the August COW meeting, it has become apparent that UAS does not have the authority within the UA system to lease CBJ space, and their application has not been moving forward. After discussions with T&H Early Education, they have an interest in leasing additional space in order to deliver services providing for children, including up to middle school age children. Previous COW direction was to proceed with leasing up to 2/3 of the building. With the UAS application not moving forward, T&H

Early Education is interested in leasing more than the previously discussed 2/3 of the available space and could be a single tenant if the Assembly is interested in leasing 100% of the available space to T&H Early Education.

The current estimate of the cost to maintain the building is $1.97/ft^2$ which includes a contingency to cover unexpected maintenance and to build funds for long-term maintenance. At this rate, leasing 100% of the available space is ~110,200/month for 55,925 ft². T&H has requested a rate that does not include a contingency amount which is $1.79/ft^2$ or ~100,100/month. These amounts exclude the portion of the building that will be retained by the CBJ Parks Department, which includes the gym and facilities maintenance area. Maintenance is crucial to current and future uses of the building and Assembly should take care to provide steady funding for building maintenance if this building is leased for less than the building maintenance estimate of $1.79/ft^2/M$ onth or 1.2M/Year.

T&H Early Education's original proposal included the expectation that the lease costs for leasing 2/3 of the building would be fair market value. In order to lease the entire building, T&H Early Education has requested grant funding to help recover renovation costs and to help cover the cost of leasing the additional space for the first 5-year term. Renovations include correctly sizing lavatories, adding additional wash locations, creating safe access, and updating outdoor space. Renovation costs are quoted to be around \$1M.

Staff request that the Lands, Housing, and Economic Development Committee direct the City Manager and Attorney to draft an ordinance for introduction authorizing the lease of up to 60,000 ft² Floyd Dryden to the T&H Early Education.

Staff request that the LHED committee direct the City Manager to draft an ordinance authorizing an Assembly grant to T&H Early Education for the purposes of tenant improvements, to be issued concurrently with any potential lease.

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