

FY 2026 CAPITAL IMPROVEMENT PROGRAM



Prepared for the
Assembly Finance Committee
April 5, 2025



The Capital Improvement Program

- Capital Improvement Program (CIP)
 - The CIP is the overarching strategic plan for improving public infrastructure of Juneau.
 - The CIP is a plan of capital improvements proposed for a 6-year period, with estimated costs of each improvement.
 - The 6-year CIP is revised annually for the City Budget to reflect the changes in priorities that have emerged since the last CIP.
 - A Capital Improvement Project is a major, non-recurring budget item that results in a fixed asset (road, water / sewer utility, building, park, trail, sportsfield, etc.)
 - Six Year Plan - Project estimates and priorities are more refined the closer to the current year.
 - Only the upcoming Fiscal Year (2026 in this case) projects are funded.

The CIP Timeline

- October: Engineering solicits prioritized CIP nominations from departments and offers assistance on scoping and cost estimation.
- December: Finance provides revenue projections for Sales Tax funded CIP categories, which dictate available funding for priorities.
- January: Draft CIP resolution introduced at PWFC
- March: Six-year CIP reviewed at PWFC. This is the large book that includes appropriating resolution for current year, 6-year plan, and unfunded department priorities.
- April – May: Review by Assembly Finance Committee, Planning Commission, and Systemic Racism Review Committee
- April 30 – Special Assembly Meeting – Public Hearing – **Opportunity for the Public to Comment on the CIP**
- June 15th: Charter deadline to pass CIP

CIP Funding Categories

- Voter Approved 3% Sales Tax
 - General Sales Tax - \$6.7227 million
 - Areawide Street Sales Tax - \$11.72 million
- Voter Approved Special 1% Sales Tax – \$14.66 million
- Marine Passenger Fees
 - Marine Passenger Fees - \$2.0 million
 - Port Development Fees – \$3.0 million
 - State Marine Passenger Fees – \$7.691 million
- Enterprise Funds

Voter Approved 3% Sales Tax

- Voter information from approved 3% Sales tax – Oct. 2021
- Approved through June 30, 2027
 - 1% police, fire, street maintenance, snow removal, EMT/ambulance service, parks and recreation, libraries and other general purposes. (general government operations - combined with the permanent 1%)
 - 1% for capital improvements to roads, drainage, retaining walls, sidewalks, stairs, and other capital improvements
 - **Areawide Street Sales Tax for FY25 CIP – \$11.72 million**
 - 1% for capital improvements, an emergency budget reserve, and other general public services.
 - **General Sales Tax for FY25 CIP – \$6.7227 million**

General Sales Tax Funds: \$12.0 million

- Eaglecrest
- Manager's Office
 - Emergency Services Grants Coordination
 - Zero Waste
 - CDD – Comprehensive Plan Update
 - Tenant Improvements
 - Outburst Flooding Improvements and Agency Coordination
- Parks and Recreation and Facilities Maintenance
 - Deferred Building Maintenance
 - Parks and Playgrounds
 - Sportsfields
 - Trails
 - Off-Road Vehicle Park and Trails

Areawide Street Sales Tax: \$11.8 million

■ Street Maintenance Projects

- Some priorities driven by Street Dept. maintenance
- Other priorities driven by utility (Water or Wastewater) maintenance
- Proposal to fund Water and Wastewater Utility work to allow Street Maintenance projects to move forward – Water and Wastewater Utilities are unable to fund these projects due to limited funds

■ Miscellaneous Projects as Funding Needs Identified

- Transit – Matching funds for Fed Transit Grant for charging infrastructure and upgrades at the Bus Barn.
- Juneau Douglas North Crossing Project
- Zero Waste

Voter Approved Special 1% Sales Tax

- Voter Approved 1% Sales Tax funding Oct 2023 to Sept 2028 - \$12 million estimated per year
 - Projects approved by voters. Funding schedule set by the Assembly Finance Committee
 - Increase in annual sales tax projection adds \$2.66 million to FY26
 - \$500k additional to Childcare
 - \$2.16 million to Floyd Dryden and Marie Drake

Allocation of Voter Approved 1% Sales Tax Projects FY24 - 29

Proposition 3 from October 2022 Ballot

Project/Expenditure Name:	Funds Assigned	in \$Million						TOTAL
		rem FY24 (9 months)	FY25	FY 26	FY 27	FY28	rem FY29 (3 months)	
CBJ Building Maintenance Projects	11.5	2	2.5	2.35	2	1.65	1	11.5
Affordable Housing Fund	4.15		0.5	1	0.75	1.15	0.75	4.15
Childcare Funding	2.5	0.4	0.5	0.5	0.5	0.6		2.5
Parks & Recreation Major Maintenance & Repairs	5	0.75	1	1	1	1	0.25	5
CCFR Ladder Truck Replacement	1.2	1.2						1.2
North SOB Parking	5			1.15	2.5	0.4	0.95	5
School District Facility Funding	5	0.75	1	1	1	1	0.25	5
Telephone Hill Redevelopment	2	0.5	1	0.5				2
JPD Radio System Replacement	2	0.5		1.5				2
Lemon Creek Multi-Modal Path	1.5				1.5			1.5
Information Technology	3			0.75	0.75	1.5		3
Waterfront Museum	2	0.3			1	0.7		2
Street Maintenance Shop Bays	2		2					2
Pederson Hill Development	1.85			1.85				1.85
Harbor Projects/Grant Match	6.5	2.6	3.5	0.4				6.5
Gastineau Avenue Widening & Turn Around	4				1	3		4
Restricted Budget Reserve	1					1		1
Total Requests:	60.2	9	12	12	12	12	3.2	60.2

Marine Passenger Fees

- Project Nomination process through the City Manager's Office
- Proposed projects and funding to be reviewed today and as part of the FY26 Budget Process.

Enterprise Funds

- Departments that generate revenue
- Contribute to CIP based on their available funds and their priorities
 - Bartlett Regional Hospital (BRH)
 - Docks and Harbors
 - Lands and Resources
 - Water, Wastewater Utilities
 - Note: due to limited Utilities' funds, use of Street Sales Tax funding has been proposed to allow Street Reconstruction projects to move forward efficiently

Unscheduled Funding

- Speculative funding requests that would require an appropriation of the funding when it becomes available:
 - Grant funding requests
 - Airport Projects- FAA Grant funding
 - Capital Transit - FTA Bus Barn Charging and improvement grants
 - Harbors – ADOT Harbors Grants – Echo Cove, Aurora Harbor drive down float
 - Parks and Rec –ORV Park Grant, Savikko Restrooms
 - Managers – NOAA Habitat Restoration Grant – Mendenhall River
 - School District – Renew American Schools – HVAC Upgrades
 - Project with special needs without identified funding source
 - Public Works – Upper Jordan Creek Sediment Control
 - Public Works – Highlands Storm Drain Repairs

Project Selection for Funding

- Priority lists provided by each department
 - ENG does not rank or prioritize projects
 - More project requests than available funding
 - ENG works with each department to identify specific priorities that will fit within available funding limits
 - Unfunded project priorities moved to next fiscal year in the 6-year priority list

Project Proposed for Funding in FY2026 CIP

- The Proposed Projects for Funding in the FY2026 CIP are listed in the CIP Resolution.
- Descriptions and details for the Proposed FY2026 Projects are on the pages following the FY2026 CIP Resolution.

FY26 CIP is Mostly Infrastructure Maintenance

- \$33.1 Million in Sales Tax funded CIP projects
 - Highlights
 - \$1.0 million each for Affordable Housing Fund and Childcare
 - \$460k Specifically Identified for Green and Sustainability projects – Zero Waste Program, Juneau Renewable Energy Strategy (JRES), and Capital Transit Electric Bus Charging infrastructure
 - Standalone Maintenance CIPs ALSO incorporate sustainability improvements
 - Street reconstructions upgrade street lighting with LED fixtures
 - Deferred Maintenance projects evaluate the most sustainable opportunities within available budget
- \$22.01M (67%) of Sales Tax funding goes to CBJ Infrastructure Maintenance and Repairs

Questions?

Thank you