



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

To: Deputy Mayor Gladziszewski and Assembly Committee of the Whole
From: Rorie Watt, City Manager
Re: UA Property Lease by Docks and Harbors

This issue has gone on for a long time. The best practical advice I can offer is:

1. Consent to a 4 year continuation of UA leasing, after which the site will be vacated or private operators may lease directly with UA (CBJ gets out of the middle of this activity).
2. Consent to the general fund support of UAS student activities and the contractualization of the existing Eaglecrest program.
3. Direct Docks and Harbors to attempt to transition boat yard services to a new location.
4. Agree that the \$2M that was previously allocated for purchase of the property can be used for capital improvements to a new location.

* * * *

As a side note, when the Assembly contributed \$500K 30 years ago for the construction of the Egan library, they effectively paid partial lease costs in advance. We have focused on the disparity between fair market value from the appraisal and the revenue that CBJ collects from releasing. To properly evaluate the economics, we should give credit of an additional \$30K or so a year from that initial investment.