

ASSEMBLY LANDS HOUSING AND ECONOMIC DEVELOPMENT MINUTES

February 24, 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

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: Chair Wade Bryson, Paul Kelly, Ella Adkison, Neil Steininger

Additional Assemblymembers present: Full Assembly present

Members Absent: none

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, Alix Pierce, Tourism Manager

Members of the Public Present: Huna Totem representatives: Sue Bell, Ed Page, Corey Wall

D. APPROVAL OF AGENDA – approved as presented

E. APPROVAL OF MINUTES - 1. January 27, 2025, Draft LHED Minutes – approved as presented

F. AGENDA TOPICS

2. Huna Totem Corporation Dock Presentation & Discussion

Ms. Pearce introduced this topic followed by Huna Totem representatives, Sue Bell, Ed Page, Corey Wall sharing a presentation on this topic.

3. Huna Totem Lease - Opportunity for Public Testimony

The public may participate in person or via Zoom webinar. Testimony time will be limited by the Chair based on the number of participants. ***Members of the public that want to provide oral testimony via remote participation must notify the Municipal Clerk prior to 4pm the day of the meeting by calling 907-586-5278 and indicating the topic(s) upon which they wish to testify.*** For in-person participation at the meeting, a sign-up sheet will be made available at the back of the Chambers and advance sign-up is not required. Members of the public are strongly encouraged to send their comments in advance of the meeting to BoroughAssembly@juneau.gov.

Karla Hart, a Back Loop resident, testified via Zoom that she had submitted written comments, and hoped the Assembly had read them with care. She thought the most important point is that this lease discussion is premature. The Assembly must 1st decide if an additional private cruise dock should be allowed, then decide the conditions of the lease. Please do not go straight into the conditions of a lease when the Assembly has been promising us, the community, for years that each of these steps was not a decision, and that your decision on whether or not to have the dock would be at the point of the lease in terms of the public comments with the recent open house that was done. These open houses were not objective and did not explain the possibilities and the potential of what could be done with lease conditions, and they did not directly ask what residents would like to see as lease conditions. The comments asked about, if approved, your great idea, public use, and what else would you like to tell us. Nowhere said we have an amazing opportunity with the lease to impose conditions that we might not have otherwise been able to impose, such as the shore power condition that the Assembly and the Visitor Industry Task force voted in favor of, and the Planning Commission decided was aspirational, and it's allowed to slip, even though Huna Totem continues to say that shore power is an element. The

community needs to know that shore power will not be there in the foreseeable future unless the Assembly mandates it as a condition of the lease before any operations take place. The health harms from the cruise ship pollution is phenomenal, and the city has never directly taken that on to protect the community, or even to educate the community on the harms. Please step back from this lease discussion and talk about whether or not it's the right time to have an additional cruise dock in downtown Juneau, when we haven't addressed management issues with the community.

Tom Boutin, Glacier Hwy. resident, testified via zoom that the Assembly should go forward with this lease and soon. In every industry big companies stake out turf, it happens in mining, forest products, petroleum, etc. When Alaska had 2 pulp mills, the frontier was Mitkof and Zarembo Islands. This Huna Totem project is very different, it's a home team investing locally. We won't read in the Wall Street Journal that a decision made in Miami, London, or Athens will greatly change our economy. This will never be a company in Arkansas, deciding that the one Walmart store to close will be the Juneau one. This won't be executives who have never been to Juneau, deciding whether the Safeway or the Fred Meyer store here will close. Huna Totem has had a base here for decades they're us, and we're them. Now the CBJ is on the right side of the business cycle this time, and now it's up to the City to make decisions as soon as possible to keep this moving. Every taxpayer and every part of Juneau will benefit.

Craig Dahl, Auke Bay resident, testified in person that he is the executive director for the Juneau Chamber of Commerce and supports this project on behalf of the Chamber. This is a significant private investment in the development of Juneau's waterfront that will create employment opportunities during the construction phase, provide small business opportunity when it is complete, which in turn creates sales tax revenue to the City, and will contribute a significant amount to property taxes, all important to us. The elimination of hot birthing, reduction of bus traffic downtown, seawalk expansion, additional parking that's going to be available to Juneau residents, more job opportunities throughout the season, and the future connectivity to shore power to further reduce emissions; these are all significant attributes of this project. The Chamber encourages the Assembly and all the departments of CBJ to work together toward the successful completion of this project. Huna Totem has put an amazing amount of work into this, and we should not pass up this opportunity.

Kyle McDonnell, Douglas resident, testified in person that he supports the approval of the Huna Totem dock. He's an employee of one of the bus companies in town and believes the new dock will benefit tour operations as well as the overall flow of bus traffic in downtown Juneau. The location is ideal for bus access to and from downtown. Within the 1st hour of a ship's arrival, the majority of our buses are at the dock, depending on the driver's schedule, those buses typically come back to the dock 2 to 4 times during the ship's port call. This new dock would reduce the amount of times we would have to navigate the often congested South Franklin corridor. With eliminating hot berthing, we'll probably be able to spread out some of those tour departures and not have them all at the same time with a ship's arrival.

Kathy Coghill, North Douglas resident, testified in person that there are some exciting opportunities for this piece of land, but believes the lease right now is premature. She's most excited about the cultural center, but feels that local people's concerns are not being weighed adequately in comparison to the commercial aspect. Her biggest concern is the high potential for traffic backing up at the bridge if a new cruise ship bus station is located at the proposed site. Buses slowing down to turn, waiting for pedestrians to cross, and creeping through a loading zone will back up traffic and result in gridlock at the bridge, this would compromise safety and be a tremendous disservice to our community. We saw the presentation, we're not going to drop below level D, but we need to hold the line. The Assembly has already flagged the bridge as an essential transportation link in need of backup. We either have a problem there with traffic or we don't, you can't have it both ways. So if we have a problem there, we

don't need buses coming in closer to that bridge. No development of a new transport hub for tours should be created at the proposed site until after the completion of a second bridge. If you get these steps out of sequence you'll be creating a gigantic mess, please don't do that. Get the new bridge completed first. The second project that must be completed prior to considering this lease involves building the necessary infrastructure to get electricity to the proposed site so that ships can plug in. This will be an expensive project that our city and taxpayers can't afford. It should be paid for with cruise tax monies. If we can't get that done, we have no business approving a lease. Finally, we know that cruise ships use scrubbers which pull pollution out of their exhaust and dump it into our waters. Any lease to use our tidelands must demand compliance with the use of highest grade fuels, and a prohibition on scrubber use so close to the Mendenhall Wetlands.

Dezarae Arrowsun, Valley resident, testified in person that she is a downtown business owner and Vice President of the Downtown Business Association (DBA), and testified on behalf of the DBA in favor for this Huna Totem project. The DBA believes that this is a great addition to our downtown community, it'll allow the ship that's normally parked out in the middle of our waters to be shoreside, which will give the passengers more time in port, more time to do their activities, and to walk around downtown and spend their money at our small businesses. Even if this only results in additional hour, that helps our downtown, every single bit helps our small businesses. Last year one of the most common conversations I had with tourists was that they would love to walk around downtown more, but they just don't have enough time. We also like the idea of spreading out the buses, so we don't have so much of a bottleneck right there at Marine Park and the tram. We also believe that Juneau deserves to have an indigenous knowledge, science, and cultural center. It's something that we are missing in our community. The DBA supports the Huna Totem Dock project and asks the Assembly to approve the lease.

Laura McDonnell, Douglas resident, testified in person that she has worked downtown for 25 years. One of her business during any given season we represent over 60 Alaskan artists and employ a minimum of 10 local employees full time. Many of those positions are now year round. Building this new dock will likely take customers away from our storefront, and may actually reduce traffic to my business. But for me the picture is bigger than that because I also live here and have lived here my whole life, I love our downtown not just as a business owner, but also as a resident. If we can prevent bussing hundreds of thousands of visitors through the South Franklin corridor with private infrastructure investment that is a huge boost to our economy, everybody wins. She may not see as many of those passengers in her store, but eliminating hot berthing will give the ones she does see the one thing I compete with most as a Juneau retailer, time. This will give them more time to spend, not racing back and forth in a bus, but exploring our downtown and leaving their direct spending and tax revenues behind while they do. This infrastructure investment from a local organization is a huge step for the sustainability of this industry that is sustaining Juneau and a boost for our economy. Please support this one bright new opportunity.

Roger Calloway, Auke Bay resident, testified in person that he supports the new guidelines and lease ordinance and urges prompt execution. This will unleash over 200 million dollars of private investment into our community, bringing jobs and economic opportunity for all.

Wayne Coogan, Auke Bay resident, testified in person that he is a construction cost engineer and consultant in Juneau. In Alaska, December through February doesn't count for construction, with March and November being marginal. For the rest of the year people have to work 60 to 80 hours week to make up for this, they're working a compressed season and inversely, the procurement and design process is squeezed into the wintertime in order to get construction on the ground running. The long lead items for 2025 should be getting ordered right now as we talk now. This project is at a critical point, I'm not saying that that the City is impinging on this, I'm just trying to express to you how much stress

the applicant is under with regard to the natural situation here. I believe the tideland lease should be treated as an economic and business transaction and it should be approved routinely rather than seen as another land use review issue and strongly urge the city to approve it to avoid further delays and damages to the applicant. The process of construction is very time sensitive.

Bill Leighty, Downtown resident, testified in person that he has met before the Assembly for decades with the same message, to give the 1st priority in everything planned and decided to the effect it's going to have on the burning of fossil fuels, global warming, and climate change. We have a moment before us now, this is a very complicated situation the Assembly can make simple. By conditioning this and other matters, we can give 1st priority to being sure that none of this leads to increased burning of fossil fuels anywhere within the entire cruise ship industry, ships and/or shoreside. Secondly, as we look at Juneau's long-term future, what can we do now, cooperatively avoiding lawsuits with the cruise ship industry, to prepare Juneau for its long-term future as the effects of global climate change get worse; the fires, the floods the sea level rise. Juneau is an extraordinary opportunity, because we're on an elevator going up a centimeter a year above sea level, (Mr. Leighty is presenting this at the Innovation Summit). Second, use our monopoly for the bargaining power that will allow us to put the conditions in place to look at the entire visitor industry at this moment. Finally, we will have a business opportunity to make clean fuel for the cruise ships, either as methanol or as liquid hydrogen, right at the home ports on Puget Sound, or the Strait of Georgia or Strait of Juan de Fuca, from a new, renewable source energy that may be coming along, renewable source electricity to make the hydrogen, methanol, liquid hydrogen fuel, deep, hot, dry rocks, geothermal. This was sent to the Assembly with supplementals attached.

Richard Peterson, Montana Creek resident, testified in person that he and Tlingit and Haida support this project for many reasons, including economic opportunity. This is a significant investment in Juneau's economy, it'll create jobs during construction and operation, generate revenue for local businesses, and this project represents a major step towards greater economic self-sufficiency for Juneau. We're very proud of the cultural celebration, we believe that it will be a beacon of Tlingit culture, showcasing our rich heritage to the world. This space will provide opportunities for cultural expression, education and celebration, strengthening our identity, and passing on traditions to future generations. We believe it'll provide community enhancement which will revitalize the prime waterfront area, creating new public spaces and amenities for residents and visitors to enjoy. This project will enhance Juneau's appeal as a destination benefiting our community. We're proud of Huna Totem's partnership and collaboration and outreach. They've spoken to everybody I think that they could. This addresses tourism impact, it'll spread out tourism, it'll divert some of the tourism from downtown. We believe it's going to help in population, retention and growth, as we're seeing a decline in our population. We think this is incredibly important right now and it aligns with the Áak'w district and look forward to the increased property and sales tax revenues for Juneau. For us, we're really interested in the year-round cultural and education offerings. I hope that we want to showcase our culture in more ways than just land acknowledgments.

Bob Janes, Mountainside Drive resident, testified via zoom that he agrees to almost everything that he has heard, wonderful testimony and accurate analysis. He was involved in that property and location as a destination for many years with the Alaska Ocean Center, and unfortunately it didn't turn out the way his board thought it would because of the change in land ownership. Immediately after that happened, Russell Dick with Huna Totem, came to the Ocean Center and asked if we would like to be involved in that continuation of the project, and at the time I didn't have much steam left in me, but kudos to them for reaching out. He believes that the project is going to be a great enhancement for Juneau. It's going to provide all kinds of opportunities for Juneau residents to work and display their wares. One more point to Karla Hart's question to you, correct me if I'm wrong, but I believe that a lot of this is going to be

flushed out with conditional use permits and those requirements. I don't think we're at the point of having to stop a project right now that has momentum and lots of support.

Kim Metcalfe, Downtown resident, testified in person that she was speaking in opposition to the project. She is concerned about the traffic in Gastineau Channel, the float planes, fishing boats, and other small watercraft, and 5 huge cruise ships, all being in the port at once. She read through Marine Exchange of Alaska's study regarding the docks impact on navigation and of other vessels, and respects their expertise, but just from watching it as you go by, you seen all the traffic in the channel. Quoting from that study, page 28, says, "a wide range of vessels other than cruise ships operate in the port of Juneau. Some of the routes they take when transiting or operating the port will be impacted by the proposed Huna Totem dock. In most cases these vessels would not need to adjust their routes to avoid the proposed dock. However, these same vessels often need to maneuver to avoid colliding with anchoring cruise ships, other vessels and float planes. Large vessels at anchor cause blind spots that prevent a vessel underway behind the ship from sighting an approaching floatplane. The blind spot also prevents a float plane pilot from seeing a vessel on a course that will intersect with the float plane's landing path early enough to adjust course or abort a landing." This is concerning to her and should be a concern for the committee and the Assembly. She's also concerned about traffic on Egan Drive. The proposed Huna Totem project has 20 large bus parking bays and 96 parking spaces for cars and vans. Although the traffic impact study states that the traffic volumes will not increase because of the 5 cruise ship a day limit, the increased activity from all the proposed small businesses in the development will mean hundreds more vehicle trips on Egan and Whittier, buses, vans taxis, rental jeeps and cars pulling out regularly, that should take that into consideration.

Steve Behnk, Thane resident, testified in person, he represents the nonprofit Renewable Juneau, which provides information and advocacy for the use of renewable energy in Juneau to mitigate climate pollution. They haven't taken a position on the dock, but if there's going to be a tideland's lease and permit, doing it right means including assurances that that the dock project will provide shore power for ships to cut down their huge impacts on air quality and climate pollution. The current permit provisions don't provide that assurance, they're vague and not enforceable. The proposed ordinance whereas clauses gives us concern because it says it's a shared intention to electrify cruise ship docks to the degree that it's feasible to do. What does that mean, there's basically no assurances in the permitting or ordinance. Our main concern is that there's nothing that requires or even encourages Huna Totem to get a transmission line or infrastructure in place. What's CBJ going to do if they don't follow through on it, are they going to prohibit dock use, that's not enforceable, it's nice to hear those words, we appreciate them, but it just doesn't give that assurance. It could be conditioned on completing this infrastructure before the ships can use the dock, that's the way lots of permits work, or if you don't require that, you should at least have some kind of binding commitment, a bond or some other financial provision that contributes to extending the transmission line and covering the costs of the shore power equipment. Please make sure that this isn't more greenwashing if you proceed with the tideland's lease.

Mike Pilling, Auke Bay resident, testified in person that he hopes the Assembly doesn't grant the lease, this process should be extended. It doesn't sound like electricity is in the near future for this, which was one of the requirements to begin with. He doesn't trust the cruise ship industry. What will happen if you build this dock, it'll just be another cruise ship anchored out in front, and it seems like each year there's a little more opposition against an increase in cruise ship tourism. I could see 2 years from now, people are going to be even more excited than they were this last year. We should slow this down a little bit, this is going on worldwide in every city that has cruise ships, they're starting to say, enough is enough. This is Juneau's opportunity to slow or stop it, at least put a limit on it. What's happening on the

backside of Douglas was a surprise to everybody, we're going to have 5 ships, 6 ships, 7 ships, it seems like folks need to look at the whole big picture.

Dave Hanna, Auke Bay resident, testified in person that his family started out downtown 145 years ago. We've seen some changes, with most of that being good, and thinks this change would be good. I don't think I need to reiterate all the reasons that this project will benefit downtown, it'll likely be the nicest facility, the best complements downtown. He emphasized in the past we've unfortunately sent a message to the industry, that we may not want their business or partner with them. We understand that in these very tumultuous times, we need to reach out and partner with some of these folks that are willing to help our community. We're living in pretty strange times these days, look how many of our friends and neighbors lost their jobs last week and there's probably more to follow. We need to embrace anything that will help our community, whether it's Goldbelt reaching out to help save our struggling ski area or Huna Totem reaching out to stabilize and revitalize our downtown. We need to ensure we're doing everything possible to work together with these folks and lift our community up. It'll be a crown jewel in our community, and I implore you to not only approve it, but expedite it in any way you can. Mr. Coogan was very correct, time is of the essence.

Laura Stats, Downtown resident, testified in person that she is in favor of the Huna Totem project but not for the 5th dock. The question we need to ask is, should we put another dock in downtown Juneau, with the notion that will decrease congestion. Living in downtown Juneau she drives that daily. With a tour dock there, the congestion will be maxed out. We need to ask ourselves about this lease for the Huna Totem dock. With all due respect I was greatly dismayed by the CBJ survey last month, asking Juneau citizens to respond to Huna Totem's plan. The public was perhaps unwittingly misled by the notion that the tideland sale had already been approved. I spoke to many people that walked into the survey, it was presented in a way that the dock was approved and everything that was shown was going to be to be happening. That needs to be thought about that as well.

Serene Hutchinson, Downtown resident, testified in person that she runs a business that operates in the shadows in that they are an independent company, and don't have cruise line contracts. She is pro anything that supports tourism here Juneau, anything that helps alleviate traffic because some of that traffic is her. As an independent operator, she's not allowed to pick up anywhere except for the city docks, which she is grateful. It works okay for them, because the current Norwegian dock at AJ flows in the direction that everybody wants to go. Though she supports this, she would hope that Huna Totem would allow for private companies who aren't contracted with Norwegian to pick up and drop off.

Heather Marlow, Auke Bay resident, testified in person that she has looked at many projects in her career, and this project has excellent design. As part of their mitigation, they're looking to remove the derelict dock, that's excellent to see on the waterfront, starting off really strong there, that's great. Her request is for an infrastructure prerequisite for occupancy of the new dock. The prerequisite for occupancy means you can sign the lease, you can construct the dock, but you can't start having passengers. It's a prerequisite to the lease. Her focus is, after reading the traffic study, that the study focuses primarily on intersections and vehicles. It talks about pedestrians a little bit, and the void is the sidewalk condition between the dock and Marine Park. It's a variable width. It is particularly difficult in front of the Hangar and the Merchant's Wharf and the prime test is, if you were to build it today, would it look like that? And the answer is, No, it's substandard. That's why I asked for the prerequisite on occupancy so we can get some sort of a standard width and cleaning up some of the clutter on the sidewalk. That would be primarily between the City and the State. Of course Huna Totem is triggering that action, and they can be aware of it and run in parallel with it, but that you need to manage that infrastructure piece and have that come in tandem with occupancy and pressure on the dock. She was a

port agent for the cruise ships for a year. It was fun and learned a few things; people leave and return more than once a day. It's 1 of the assumptions of the traffic study is you come and go once, that's not accurate in patterns. You have a 16,000 passenger limit, but it doesn't talk about crew. The soulless list is your crew, plus passengers, it's way, more than 16,000, and it's not counted for in your traffic study.

Barry Oliver, Juneau resident, testified in person that he is a SEBA pilot, he pilots ships. He has written to the Board previously with some concerns, and some of his group has been involved in particularly navigation studies. He's talked with Ed Page and read the navigability study. Navigability is kind of an amorphous term, it's kind of "will this size thing fit in this space versus is it practicable and safe to do so." That's going to be carried on in a further navigation study. He wanted to make sure that the Assembly is thinking that, this is not complete it's sort of a 1st shot view of that. He's talked with Ed Page, we worked together over the years, good guy, glad he's involved in it. It's important that it's specifically looked at for that specific location and that it's a detailed study that involves pilots. It is a very short time period to make this happen, it's planned for March 18 – 20 , that's not a lot of time to do this. He's done 15 years' worth, and can tell you that's a very short time period to put that together. Watch that closely, and really observe how that study looks, make sure that the pilots and the ship captains are involved, that's extremely important so that our town has a dock that works in the end. We want the commerce, we understand that, we want it to be done safely, so we don't end up with a hotel in the middle of the harbor.

Ben Haight, Auke Bay resident, testified in person and had some questions that needed to be considered. We've talked about the additional ship, and as I've always understood, this, is our 5th ship and in our 5th dock in town. Now, if we maintain having a ship anchored out, what changes when we move it to a dock, does that improve our navigation as Mr. Page has discussed, bringing it out of some of the pathway that the other ships have to take. Does it improve or reduce the amount of lightering in the harbor that we have, which is also an obstruction that I didn't hear discussed. As far as traffic goes, what happens to the traffic, are we adding to the traffic, or are we just adjusting the patterns and hopefully improving those. When we talk about shore power for the ship, we can't get shore power to the ship when it's anchored out. We have that opportunity when we bring it into shore, and moor it to a dock. Those are questions that I think we have to consider when we're when we're looking at this project.

Frank Bergstrom, 7 Mile Glacier Hwy. resident, testified in person that this process has been going on for about 6 years, plus or minus. There's nothing he can say that really hasn't already been said other than that this project has his total and complete and utter support.

G. STAFF REPORTS – none

H. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS – no discussions from liaisons

- Planning Commission Update – none
- Docks and Harbors Board Update – none
- Parks and Recreation Advisory Committee (PRAC) Update – none

I. STANDING COMMITTEE TOPICS – no discussion

J. NEXT MEETING DATE – March 17, 2025

K. SUPPLEMENTAL MATERIALS

4. RED FOLDER - Aak'w Landing Traffic Analysis Summary

L. ADJOURNMENT – 6:07pm