



City and Borough of Juneau
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TO: Deputy Mayor Hale and Committee of the Whole
FROM: Katie Koester, City Manager
Jill Lawhorne, Community Development Director
Dan Bleidorn, Lands Manager
DATE: July 31, 2024
RE: Telephone Hill Next Steps

The purpose of this memo is to get assembly guidance on how to take the Telephone Hill Development to the next step, issuing a Request for Information (RFI) from developers to assess what the development community believes is feasible for the property. To do that, staff needs guidance on the following topics:

1. Expansion of Downtown Juneau No Parking Required Area to Include Telephone Hill.

In 2022, the Assembly adopted a No Parking Required Area (NPRA) in downtown Juneau to support residential and commercial development efforts. At the [April 15, 2024 COW](#), the Assembly gave direction to expand the no parking zone to include Telephone Hill based on what the cost of underground parking would add to the project, the availability of an adjacent parking garage, and the recognition that downtown Juneau is a highly walkable area.

On July 15, 2024, the Lands, Housing & Economic Development Committee (LHEDC) unanimously supported forwarding the expansion of the No Parking Required Area to include Telephone Hill, as described in the attached map (Attachment A), to the COW to further enhance the vibrant, pedestrian-friendly environment.

2. How much affordability does the Assembly want to include in the project, recognizing that this will mean implementing any number of strategies (tax abatement, CBJ site development, land transfer, per unit subsidy).

The Assembly struggled with the question of how much affordability to include in the project at the [June 3, 2024, COW](#) and referred the topic to the LHEDC with a request for more information on the housing needs in Juneau and the benefits of mixed housing developments. This information was covered in a presentation at the [July 15, 2024, LHEDC](#) which referenced two new housing assessments the body might find interesting: [Juneau Housing Assessment from Raincoast Data](#) and [Key Findings NW Douglas Housing Analysis from Agnew:Beck](#).

The LHEDC approved a target of 20% of the units at Telephone Hill at 80% Area Median Income. As the CBJ moves forward, this will be considered in the solicitation process for developers.

3. The July 15, 2024, LHEDC was also an opportunity to introduce the [Draft Telephone Hill Place Guide](#).

The Place Guide will serve as a compass for CBJ to develop the project and provide critical guidance to developers for drafting a response to an RFI. Over the past year, CBJ Engineering Department, Community Development Department, and the Lands and Resources Office has collaborated with First Forty Feet (FFF) to provide the data and documents that make up the appendix to the Draft Telephone Hill Place Guide (see Attachment B). Many of these documents have been previously provided to the COW for review and discussion. The LHEDC forwarded the draft Telephone Hill Place Guide to the COW for review. The appendix is not included in your printed packet, but below are hyperlinks for your use:

- [Cultural Resource Assessment](#)
- [1984 Site and Structures Survey](#)
- [Update to the 1984 Site and Structures Survey](#)
- [Existing Structures Condition Survey](#)
- [Phase 1 Environmental Site Assessment](#)
- [Market and Feasibility Analysis](#)

Construction Schedule

Residents of Telephone Hill have requested certainty on when they will be required to relocate due to construction. The answer is we do not know, but it will not be in the immediate future. It depends on if CBJ decides to take on any site development or leave the project to the developer. The earliest we would break ground depends on how much of the development we want to take on ourselves. For example, if we decide to demo structures, that could happen as early as next summer. On the other hand, if we want to hand everything over to a developer, it could take as much as 3 years to solicit a contractor and design the project.

We have encouraged everyone to find alternative housing as soon as possible. CBJ is not actively maintaining the properties and if there are health or safety issues that require a major investment it may be necessary to vacate individual units or structures. Currently there are nine (9) units rented out and four (4) vacated units.

Recommendations:

- Move to introduce an ordinance to expand the No Parking Required Area to include Telephone Hill as depicted in Attachment A.
- Move to approve a target of 20% units at 80% affordability as part of the Telephone Hill redevelopment guidelines.
- Provide feedback on the Draft Telephone Hill Place Guide (Attachment B).
- Direct staff to issue a Request for Information for redevelopment of Telephone Hill based on the Draft Telephone Hill Place Guide.

Attachments

Attachment A: Expanded No Parking Required Area Draft Map

Attachment B: Draft Telephone Hill Place Guide