



City and Borough of Juneau
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TO: Deputy Mayor Hale and Committee of the Whole
FROM: Katie Koester, City Manager
DATE: August 5, 2024
RE: Capital Civic Center Update and Next Steps

The Partnership, advocates for the Capital Civic Center project, are before you today to provide project updates and next steps. The presentation included in your packet provides an updated vision of the Capital Civic Center – if you recall in 2022, when the Assembly last saw the project, it included improvements to Centennial Hall and a new performing arts center in one location. Due to the steep price tag (upwards of \$75M) the Partnership decided to phase the project and concentrate on the performing arts center with a commons connecting the two buildings.

The Partnership has an ambitious goal of breaking ground on the project in November of 2026. The idea of a commons is new, and the project needs direction from the Assembly on a number of questions in order to proceed.

Parking. The proposed design takes away 49 parking spaces. There is a lot of surface parking in the area, but much of it is already being used by the State with shared use agreements for the Centennial Hall and the JACC. Chief Architect Rynne has outlined parking implications in the attached memo. A detailed parking analysis is needed to figure out if, or how, to meet CBJ code parking requirements with the addition of the commons.

Is there a need for the commons? The current proposal for a 15,000 square foot commons introduces an opportunity for expanding Public Market, Folk Fest, and Celebration, among other large events. However, it is also a lot of space that will be expensive to heat, maintain, etc. What is the need/desire for an additional large open space? McKinley Research Group was contracted by Capital Civic Center advocates in 2022 to draft an [Assessment of Capital Civic Center Demand and Community Benefits](#). While some elements, such as meeting rooms, are not included in the current iteration of the project, many of the elements remain the same. The commons would serve a similar purpose as the Community Hall, as a secondary large gathering space after the ballroom. McKinley Research Group's analysis determined the Community Hall would be booked 51-58% of the time (p.35).

Should we expand the project to include elements of Centennial Hall renovation? If the Assembly is interested in further development of the adjoining commons space, there could be some cost efficiencies associated with proceeding concurrently with the Capital Civic Center (vs. phasing). Future priorities for Centennial Hall include upgrading the HVAC system for the rest of the building (Ballroom HVAC was done in 2023), expanding lobby space, and adding meeting rooms. The commons area could potentially encompass a lobby expansion. The Partnership's Capital Civic Center plan does not preclude CBJ's ability to add a second floor above the current meeting rooms at Centennial Hall in the future. A portion of the bed tax is appropriated annually to Centennial Hall and we currently have \$1.5M we could put towards that effort.

Public private partnership. This project is unique in that a private non-profit is bringing significant funds to what will ultimately be a city owned facility. The Partnership has secured commitments for \$26.2M of a \$44.8M project, with \$16.8M coming from CBJ. This has prompted conversations about some type of joint venture/public private partnership where the Partnership has shared management authority over the project. Any arrangement would have to care for the interests of both parties. CBJ is interested in a facility that is built for a long service life and controls operational and maintenance costs. The Partnership wants to make sure the performing arts components are

of the highest quality and that they meet the commitments of their donors. It will require staff and legal time to figure out a model that works for this unique situation.

Recommendation:

Provide direction on spending appropriated funds on the items below. \$1.8M remains from the [original appropriation for Capital Civic Center design in 2022.](#)

1. A detailed parking analysis.
2. Design of a commons joining the two facilities.
3. Legal research on public private partnerships including model contracts.
4. Preliminary design and cost estimating for improvements to Centennial Hall that are more efficient to build concurrent with the construction of the commons – HVAC upgrades and expanding the lobby.

ENC: [Capital Civic Center Parking Impacts Memo, EPW Director Koch](#)