



DATE: February 12, 2024
TO: Michelle Hale, Deputy Mayor
THROUGH: Katie Koester, City Manager
FROM: Nick Druyvestein, Project Manager
SUBJECT: Telephone Hill Redevelopment Study Update

Online Survey of Design Concepts

The Telephone Hill Development Survey was conducted from December 13th to January 9th received over 2,400 responses from members of the community. The goal of the survey was to identify housing and other community needs that could be satisfied by future development. Four design concepts were presented showing differing levels of development density and asked residents to select their preferred concept. (See attached survey and results.)

Multi-Family housing was selected as the best type of housing to address local housing needs. Other top vote-getters include Single-Family housing and rental homes in general. These were more favorable than other options in the question such as workforce, senior, and temporary housing. The most favored option by the community was Design Concept Option C (Mid-Rise Apartments). Option C was the densest development option and would have the potential to provide 100-200 housing units.

The results from the survey show that dense, inclusive multi-family homes are the preferred housing development for Telephone Hill. Additionally, residents would like CBJ to consider new parks and recreation additions and connected pathways to encourage more foot traffic.

Cultural and Historic Review Reports

CBJ staff and project consultants have been working to address the historic preservation components of Telephone Hill's redevelopment. To accomplish this, CBJ staff hired consultants to prepare documentation in which historic aspects within the Project Study Area were identified using the Department of Interior's criteria to determine historic registration eligibility. A formal Section 106 historic review is not required, and the reports presented and attached to this memo were completed to provide the Assembly with the information needed to make decisions on historic review and redevelopment.

The two reports that were completed as part of the partial Section 106 are:

- A Cultural Resource Desktop Assessment completed by Northern Land Use Research Alaska (NLURA). This report provides information on the historic significance of properties within the Project Study Area.
- An update to the 1984 Site and Structures survey completed by MRV Architects. This report identifies contributing factors to historic significance in both the existing structures and the neighborhood.
- Also attached is the Historic Resource Advisory Committee (HRAC) letter to the Assembly from 12/11/2023 on the topic of Telephone Hill preservation and registration.

If the Assembly were to direct staff to proceed with historic registration efforts, the two reports would be used to create a formal Determination of Eligibility (DOE) letter. The DOE letter would then go to the State Historic Preservation Office (SHPO) for public comment, review and concurrence. After that, future development of Telephone Hill would need to involve SHPO to approve mitigation strategies to minimize the adverse effects to factors that contribute to the site's historic significance.

The outcome of a formal Section 106 review would not guarantee the preservation of the existing structures but it could, at minimum, add mitigation costs based on adverse effects to the historic nature of the structures and neighborhood as determined by SHPO. Once eligible, mitigation requirements will be in perpetuity, regardless of future ownership. A formal Section 106 review will extend the timeline of redevelopment and likely add unknown additional costs for historic mitigation.

Next Steps

Once the Committee provides direction for staff to work towards a specific design concept, that option will be refined to provide needed information on site preparation, subdivision design, possible building layout and preliminary floor plans, as well as a construction cost estimate. The project team will proceed with this option in a way that reflects Juneau's housing needs based on feedback received from public outreach sessions, the online survey, and direction from this Committee. A potential midrange outcome could be an RFP to gauge interest in a partnership for the phased redevelopment of the property.

Alternatively, if the Committee provides staff with direction to begin the formal process of applying for a Determination of Eligibility, then CBJ staff and consultants will complete the application process, which will take many months. Once that application is completed and depending on eligibility, CBJ and the consultants will need to draft mitigation strategies to any adverse effects for each eligible property or the neighborhood. Any major changes to the property will be on hold until the application is processed and eligibility is determined.

Recommendation

Staff requests that the Committee provide a motion of support to proceed with refining Design Concept Option C, and requests direction on whether the historic review process is henceforth completed to the satisfaction of the Assembly. Alternatively, the Committee may direct staff to create a formal Determination of Eligibility (DOE) and initiate involvement from the State Historic Preservation Office (SHPO) as described in this memo.