

Presented by: The Manager
Introduced: 05/18/2026
Drafted by: Law Department

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2024-40(am)(b)(A)

An Ordinance Amending 2024-40(am)(b) Creating a Local Improvement District No. 210 HESCO Barrier Project Phase 1.

WHEREAS, Ordinance 2024-40(am)(b) established a local improvement district for the homes in the 16-foot inundation zone based on the most current available mapping; and

WHEREAS, the City and Borough of Juneau recognizes the 60/40 cost split set forth in Ordinance 2024-40(am)(b) Section 6 was the best decision at the time with the limited information available; and

WHEREAS, in 2025 the Phase 1 improvement project protected hundreds of homes beyond the 16-foot inundation zone and the boundaries of the local improvement district; and

WHEREAS, construction is underway to install, reinforce, rehabilitate, and raise HESCO barriers along the populated banks of the Mendenhall River to protect thousands of properties; and

WHEREAS, funding for this construction is in the tens of millions of dollars and is coming from many sources including the U.S. Army Corps of Engineers, the City and Borough of Juneau, Tlingit and Haida Regional Housing Authority, State of Alaska Department of Environmental Conservation Revolving Loan Fund, and Congressionally Directed Spending through the Division of Homeland Security; and

WHEREAS, the sheer magnitude of the larger project, number of homes, public and private infrastructure protected, and millions of dollars spent, eclipses the scope and funding of the Phase 1 local improvement district and raises fairness questions for the 396 assessed properties; and

WHEREAS, the ongoing cost of GLOF response, recovery, and mitigation, including but not limited to HESCO barrier installation and an enduring solution, will need to be addressed in future legislation.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

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2 **Section 2. Amendment of Ordinance.** The sections of Ordinance 2024-40(am)(b) are
3 amended to read as follows:

4 **Section 1. Classification.** This ordinance is a noncode ordinance.

5 **Section 2. Public Interest Finding.** The Assembly of the City and Borough
6 of Juneau, having considered all material factors, including the deterrence to property
7 development, maintenance of property values, health, safety, and welfare of the property
8 owners in the proposed local improvement district, finds that the formation of a local
improvement district covering property described in Exhibit "A" attached to this
ordinance, is in the public interest.

9 **Section 3. Creation and Boundaries.** Pursuant to CBJC 15.10.100, there is
10 created Local Improvement District No. 210 (hereinafter "LID No. 210"). The boundaries
11 of LID No. 210 are shown in Exhibit "A" attached to this ordinance and made a part
hereof.

12 **Section 4. Improvements to Be Constructed.** The improvements to be
13 constructed consist of Phase 1 riverbank improvements, shoreline protection, and the
placement of HESCO barriers along the Mendenhall River for the benefiting properties
included in the LID.

14 The riverbank armoring will include supplementing existing or installing new
15 armoring to fortify the riverbank for the installation of the HESCO Barriers. Armoring
will be undertaken upon consultation with the USACE and City and Borough
16 Engineering department. Due to the unpredictable hydrological forces at play during
jökulhlaups, the bank stability may remain variable and unknown despite best efforts.

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18 The riverbank preparation will involve any necessary preparation and clearing of
the land adjacent to the river for placement of the HESCO barriers. This preparation may
19 include the removal of earthen and non-earthen materials and the removal of any
barriers or obstructions.

20 **Section 5. Estimated Cost.** The estimated cost of Phase 1 is up to \$7,830,000,
21 which includes the costs to be borne by the City and Borough. ~~The estimated cost of~~
22 ~~Phase 1 to be funded by the City and Borough is up to \$4,698,000 and the estimated cost~~
~~to the owners of property specially benefitted is up to \$3,132,000. Any costs over the~~
23 ~~\$7,830,000 will be borne by the City and Borough, are~~ subject to Assembly appropriation.

24 **Section 6. Method of Apportioning Costs.** Costs to be borne will be divided
0%/100% ~~40%/60%~~ between the properties specially benefitted within the LID boundaries
25 and the City and Borough. ~~The properties specially benefitted within the LID boundaries~~
~~shall be assessed up to \$3,132,000 equally apportioned between all homes. The City and~~
~~Borough is responsible for up to \$4,698,000. The total project cost for Phase 1 is up to~~
~~\$7,830,000. Because the City and Borough will be absorbing a large portion of the costs,~~
~~and as the property owners' contribution is capped at a value that is lower than could~~

properly be assessed against the properties otherwise, equal apportionment among each homeowner is warranted. Exhibit "B" setting forth the assessment of each property specially benefitted is attached to this ordinance and made a part hereof.

Section 7. Method of Apportioning Costs, Riverbank Homes. ~~In addition to any cost apportioned under Section 6 above, r~~ Riverbank property owners identified in Exhibit "C," attached to this ordinance and made a part hereof, may be individually assessed an amount up to \$50,000 for armoring necessary for the placement of the HESCO barriers. Property owners will be notified of the additional assessment prior to any work taking place; property owners may elect to complete work on their own, subject to required project completion dates.

Section 8. Reserve funds. \$500,000 in reserve funds will be placed in an account to be used upon the removal of the HESCO barrier to rebuild any appurtenance removed by the City and Borough on riverbank properties. Riverbank property owners may apply for reimbursement of up to \$25,000 for necessary rebuilds. Applications must be approved by the Manager's office prior to the expenditure of funds.

Section 9. Appropriation. There is appropriated to the Manager the sum of \$7,580,000 for Phase 1 Riverbank Stabilization and HESCO Barrier Project along the Mendenhall River.

Section 10. Source of Funds. ~~The Phase 1 project costs to be met from the assessments against the properties specially benefitted is up to \$3,132,000. The Phase 1 project costs to be met by the City and Borough is up to \$4,698,000. The funding source for the costs to be borne by benefited properties is a Central Treasury Loan.~~ The funding source for costs to be met by the City and Borough of Juneau are \$2,000,000, which has already been appropriated from the Restricted Budget Reserve, with the remainder to be appropriated from the general fund. The funds appropriated are exempt from the requirement that loans be for "the purpose of capital acquisition" under CBJC 57.05.045(a). The funds appropriated are exempt from the requirement that the loan term "shall not exceed five years" under CBJC 57.05.054(b). A repayment plan will be established by the City and Borough. The interest rate under CBJC 57.05.045(b) will be as specified below. The properties specially benefitted will have up to 10 years for repayment of funds at a 0 percent interest rate. Homes bearing the additional assessment under Section 7 will have up to 30 years for repayment of the additional assessment at a 0 percent interest for 10 years and then a 4.78 percent interest rate thereafter.

Section 11. Direction That Work Be Done. The Manager is hereby ordered to do or cause to be done all things necessary and useful to plan, acquire, construct, and install the improvements described in Section 4.

Section 12. Authorization to Enter Land. The Assembly is empowered to enact all reasonable and necessary emergency orders to protect the health, safety, or welfare of the residents of the City and Borough. The Manager is authorized under the City and Borough Charter 03.25, Alaska Statute 26.23.190, and Resolution 3073, to enter

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2 private property to complete the riverbank stabilization and HESCO barrier project in
3 order to alleviate or prevent disaster and safeguard the property and occupants of all
4 benefited homes in the Mendenhall Valley.

5 **Section 13. Authorization to Acquire Land.** The Manager is hereby
6 authorized to acquire, in the name of the City and Borough, any lands or rights in land
7 necessary or useful for the project.

8 **Section 14. Finding of Special Benefit.** The Assembly of the City and Borough
9 of Juneau hereby finds that the property within LID No. 210 described in Exhibits "A",
10 "B", and "C" will be specially benefitted by the improvement and each lot or tract within
11 such district will be specially benefitted.

12 **Section 15. Effective Date.** This ordinance shall be effective 30 days after its
13 adoption.

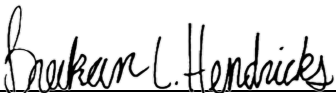
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15 **Section 3. Effective Date.** This ordinance shall be effective 30 days after its adoption.

16 Adopted this 8 day of June, 2026.

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18 Beth Weldon, Mayor

19 Attest:

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21 Breckan L. Hendricks, Municipal Clerk
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