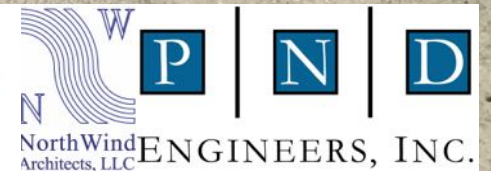
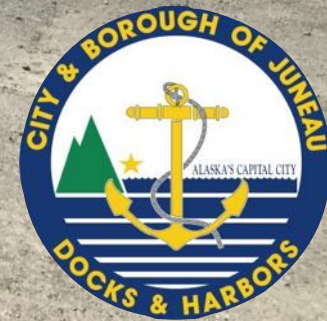
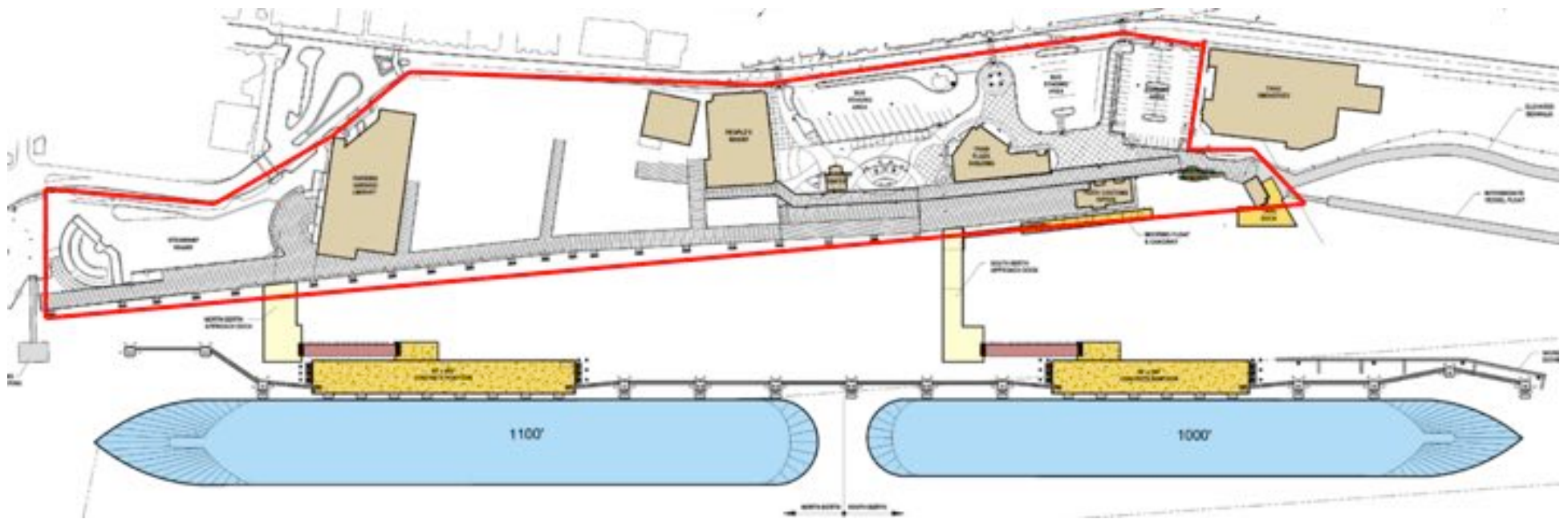


Taku Smokeries to Marine Park Urban Planning

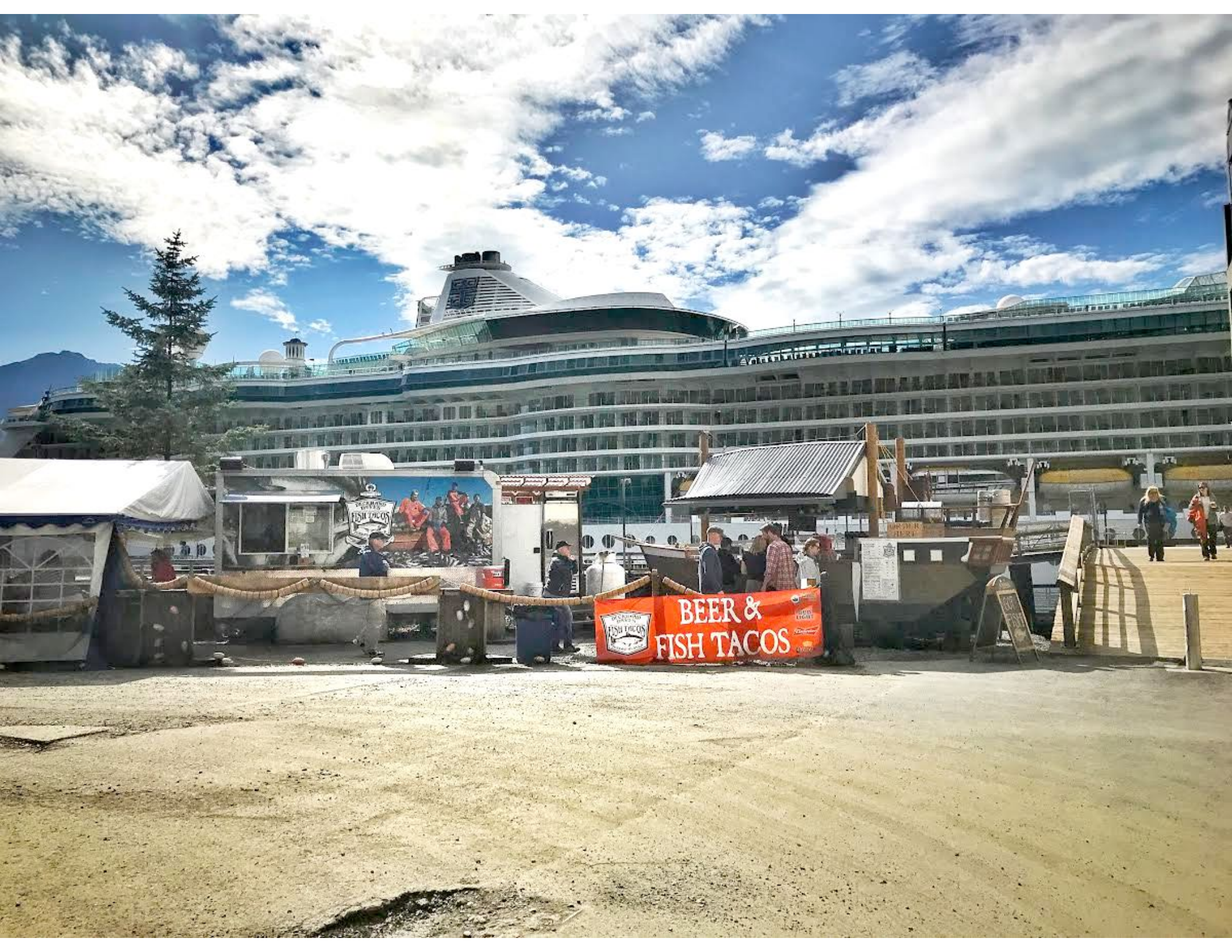


Project Description:

The Marine Park to Taku Dock project will create an urban design plan to provide direction for future uses and development of public and privately owned tidelands and uplands within the study area. The general study area is bound by the new cruise ship berths on Gastineau Channel side; South Franklin Street on the uplands side; Marine Park to the northwest; and Taku Dock to the southeast.







BEER & FISH TACOS

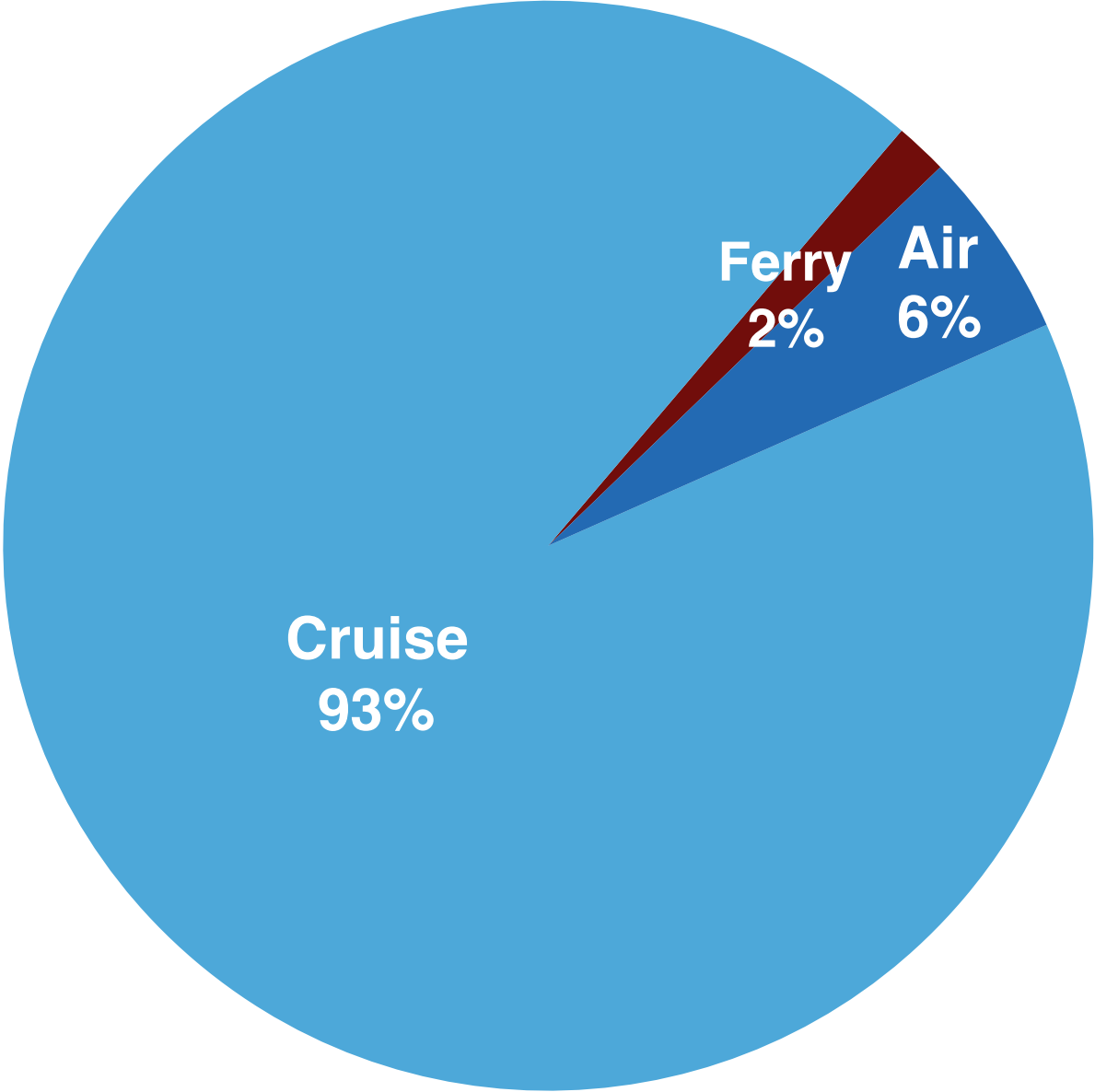


Overall Visitor Trends

Visitor Economics



Tourist Arrivals into Juneau by Mode



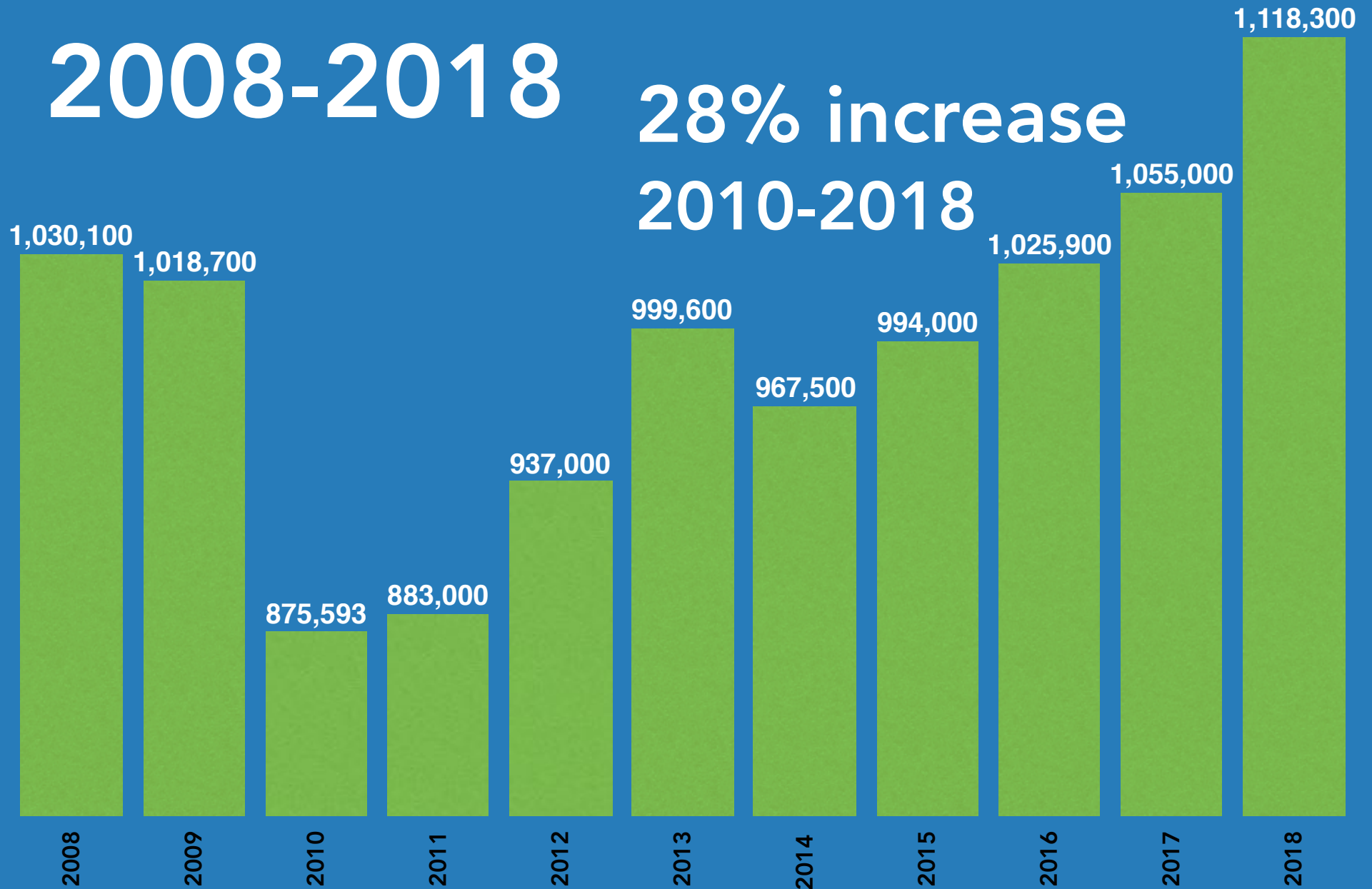
Panamax+ Docks:



Juneau now has the capacity to host four 1,000-foot vessels at a time

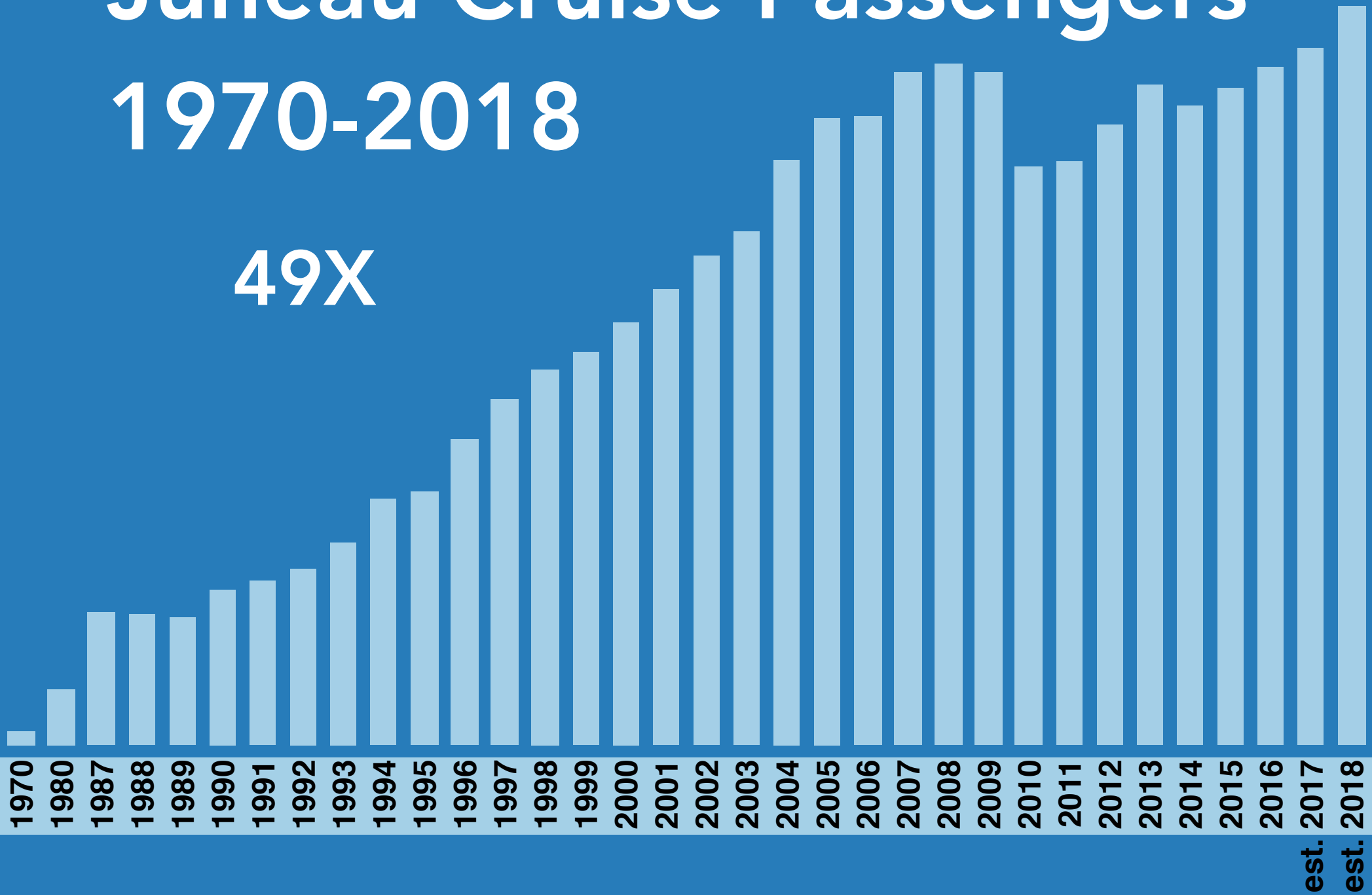
Juneau Cruise Passengers 2008-2018

28% increase
2010-2018



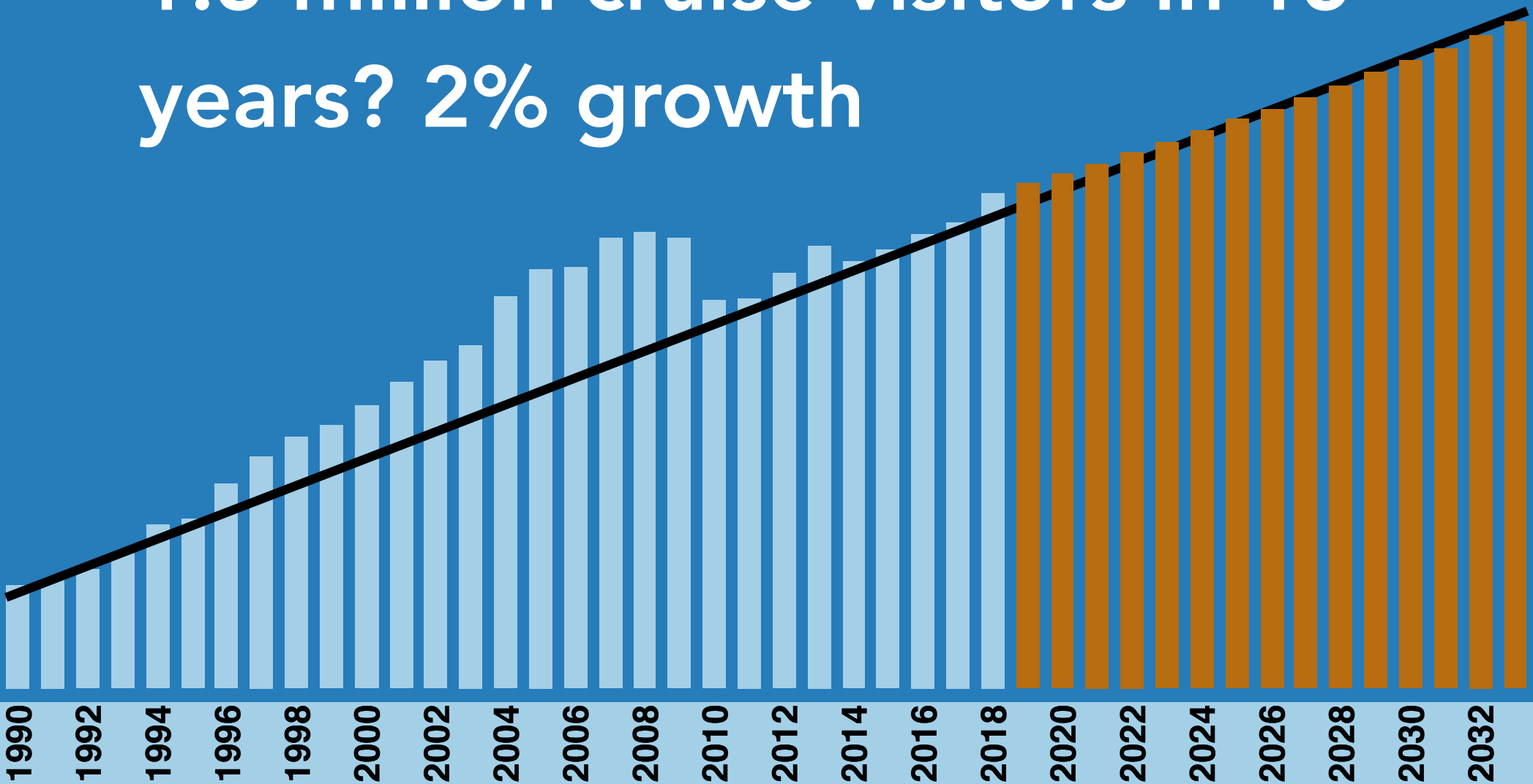
Juneau Cruise Passengers 1970-2018

49X



Juneau Cruise Passengers

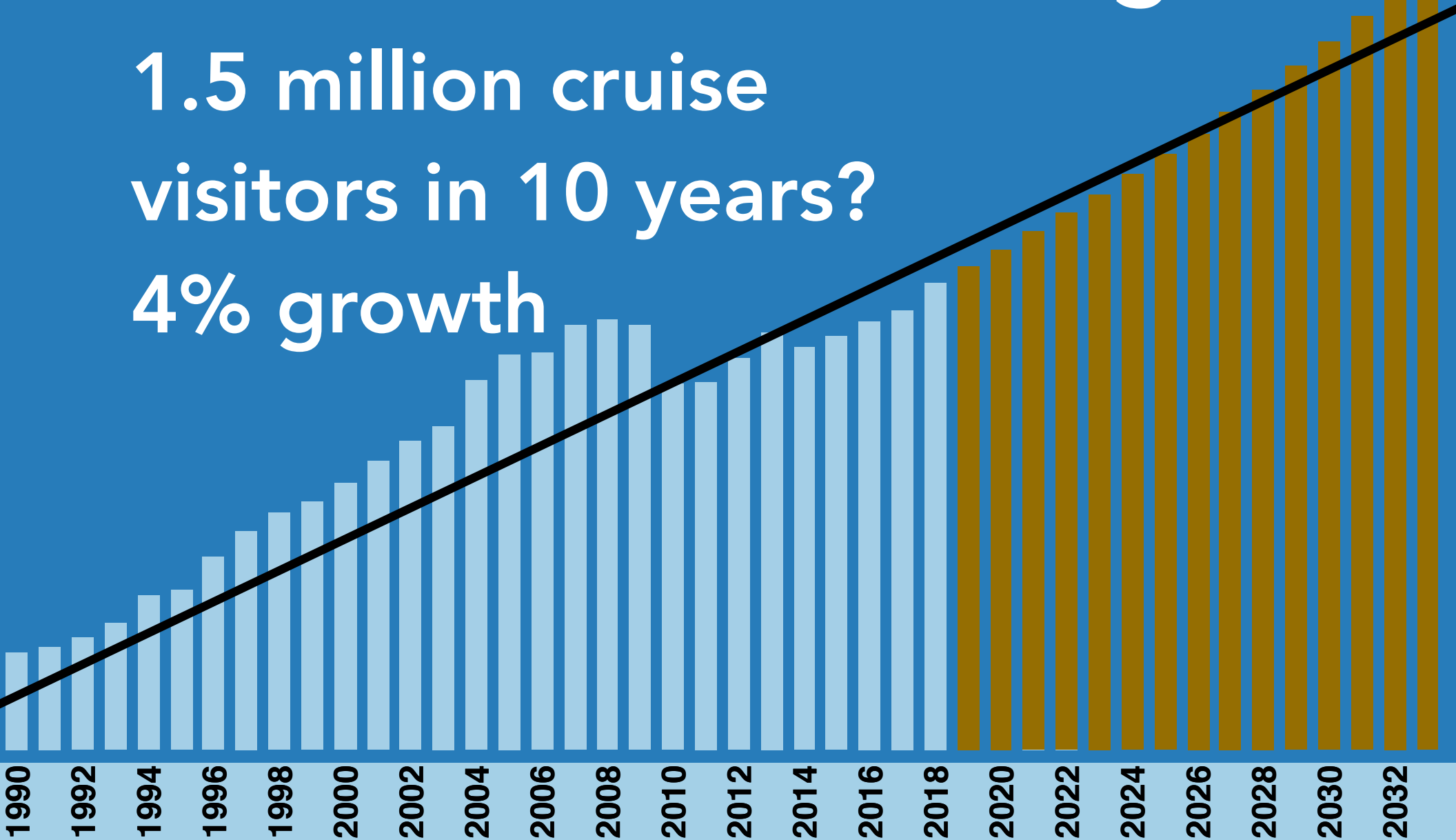
1.5 million cruise visitors in 15 years? 2% growth



Juneau Cruise Passengers

1.5 million cruise
visitors in 10 years?

4% growth



Tourist Spending 2016

1 cruise passenger = \$162 

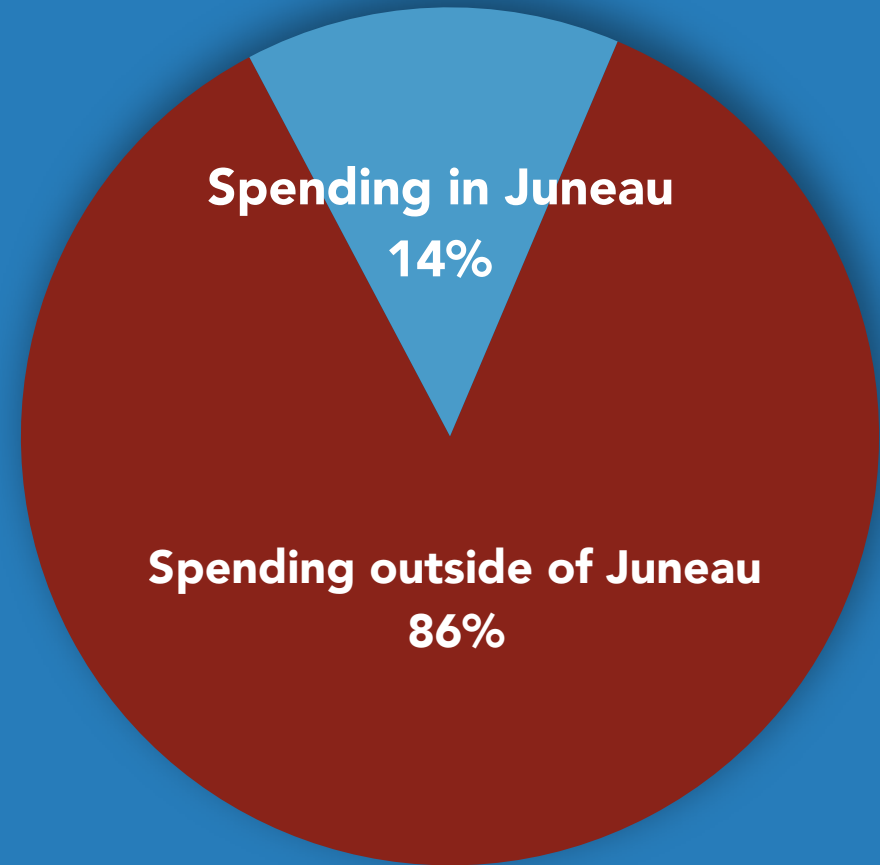
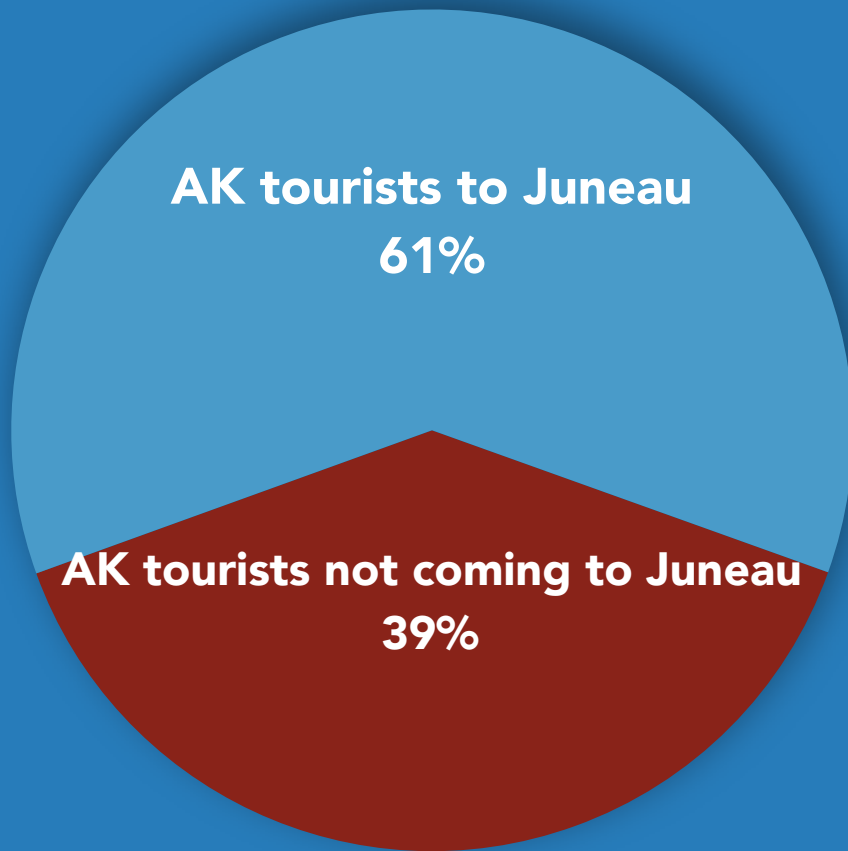
1 ferry passenger = \$281

1 air passenger = \$630

\$212 Million

providing 21% of all CBJ sales tax
revenue in 2016

Tourist Spending 2016

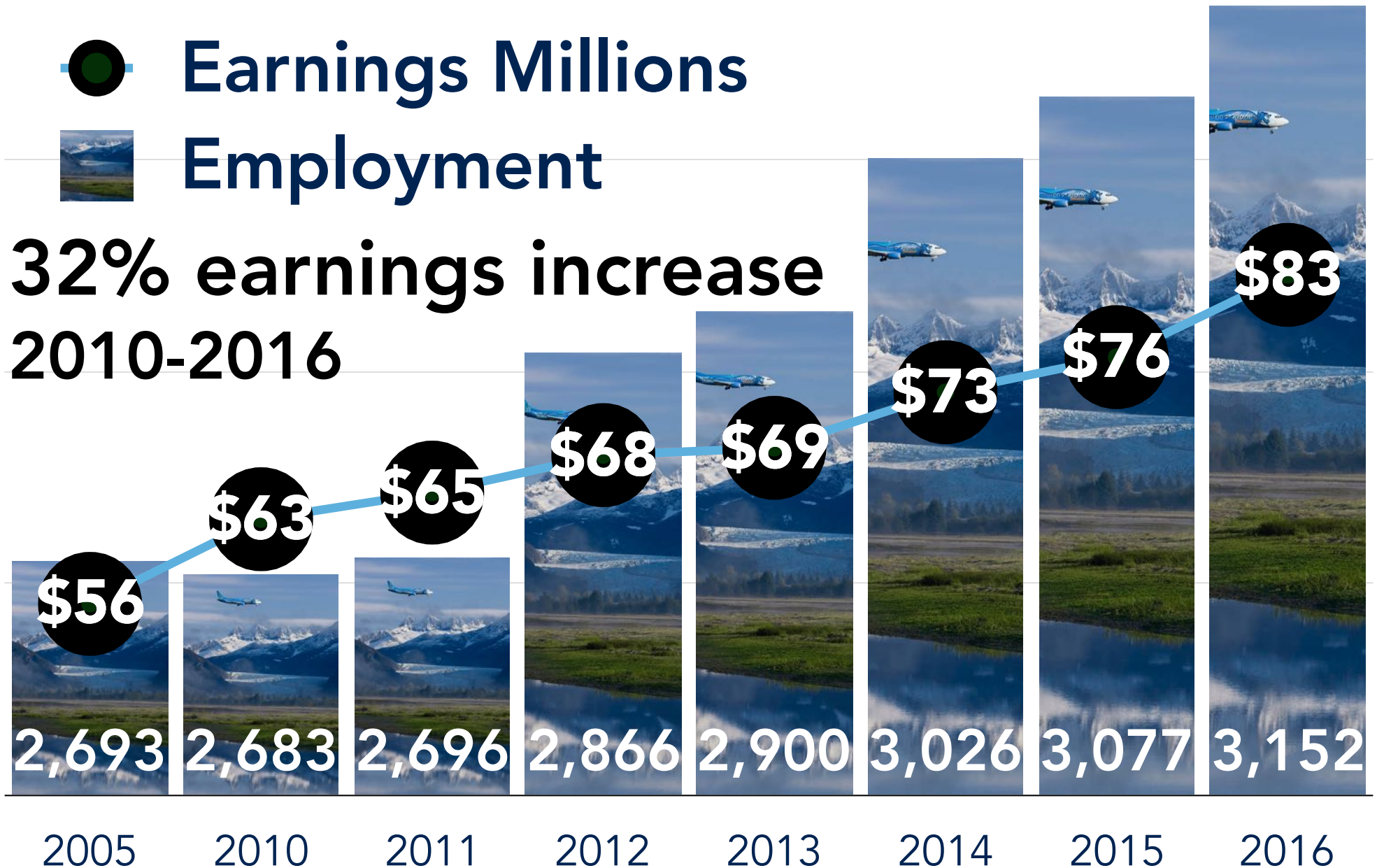


JUNEAU VISITOR INDUSTRY EMPLOYMENT

● Earnings Millions

■ Employment

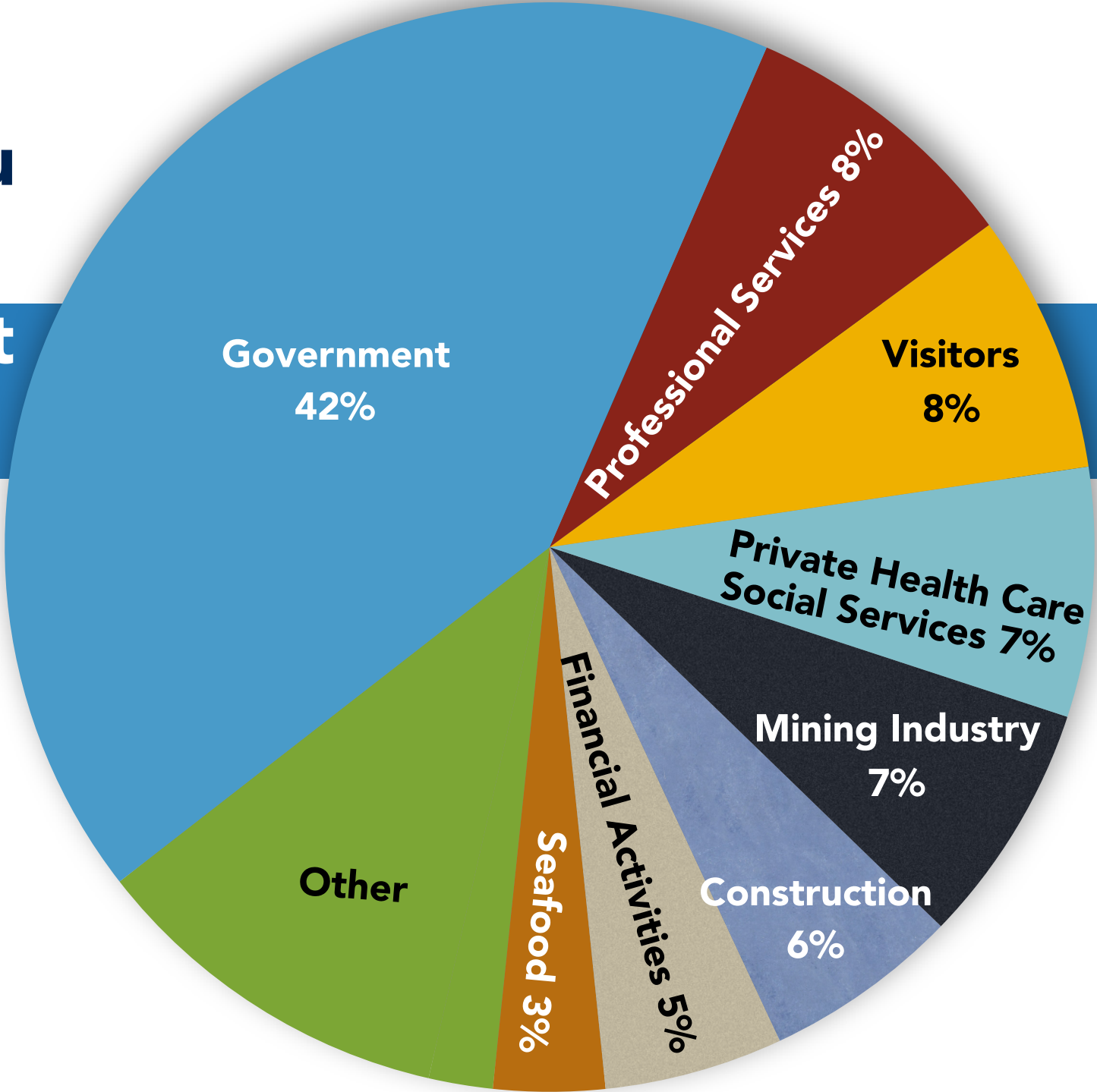
32% earnings increase
2010-2016



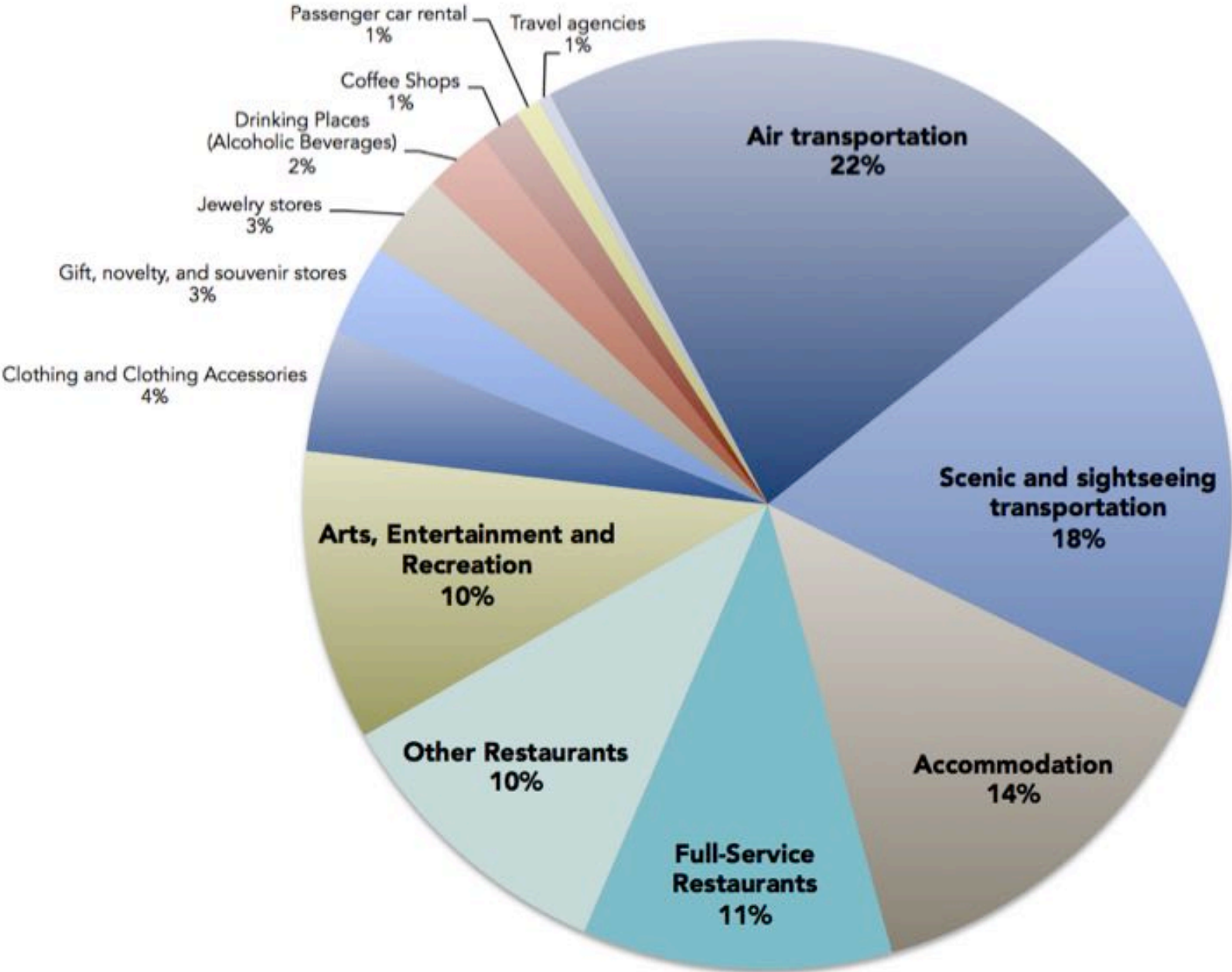
2015 Juneau Alaska

Employment Earnings

\$1 billion



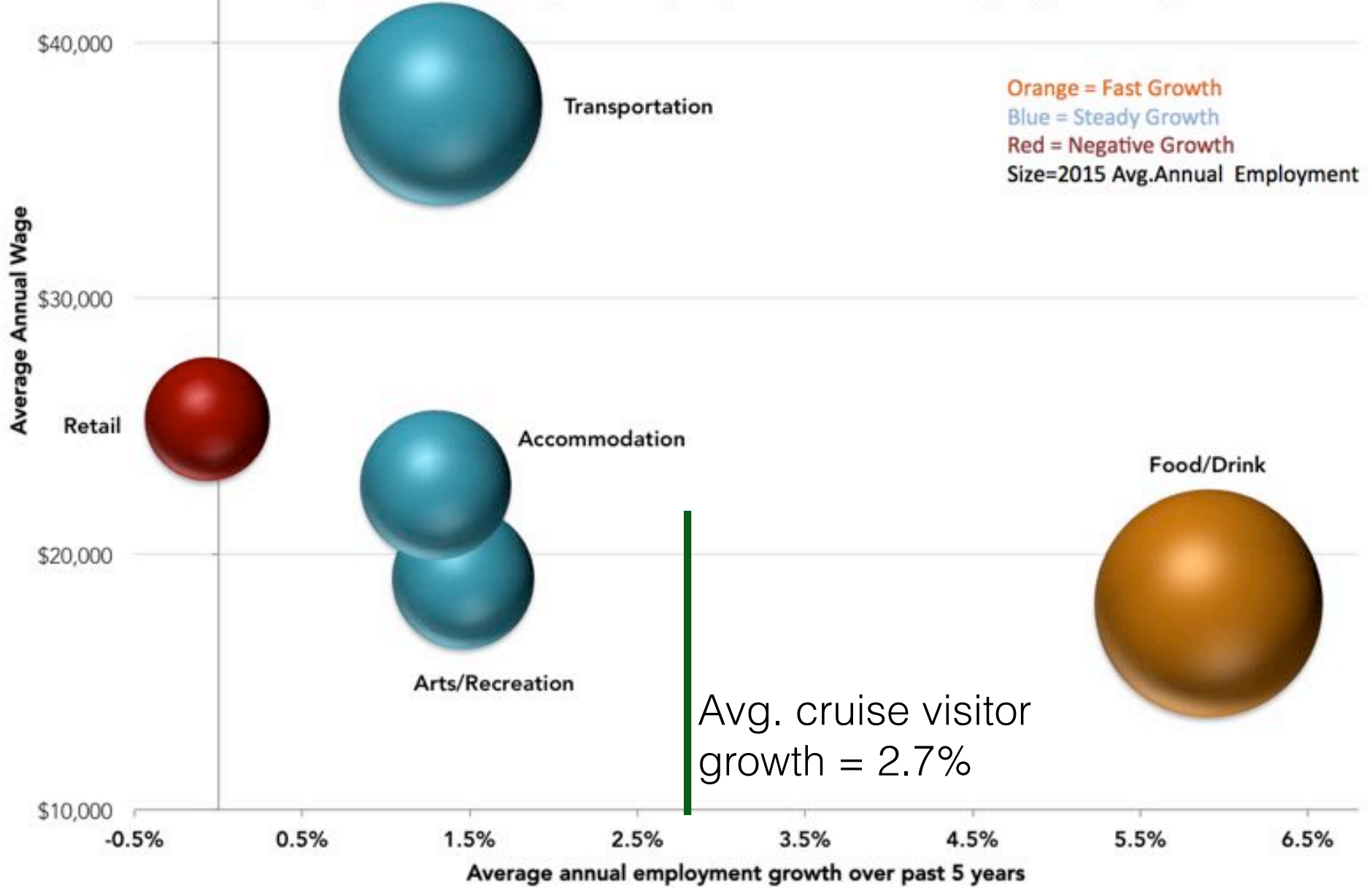
Total wages of businesses connected to Juneau's visitor industry



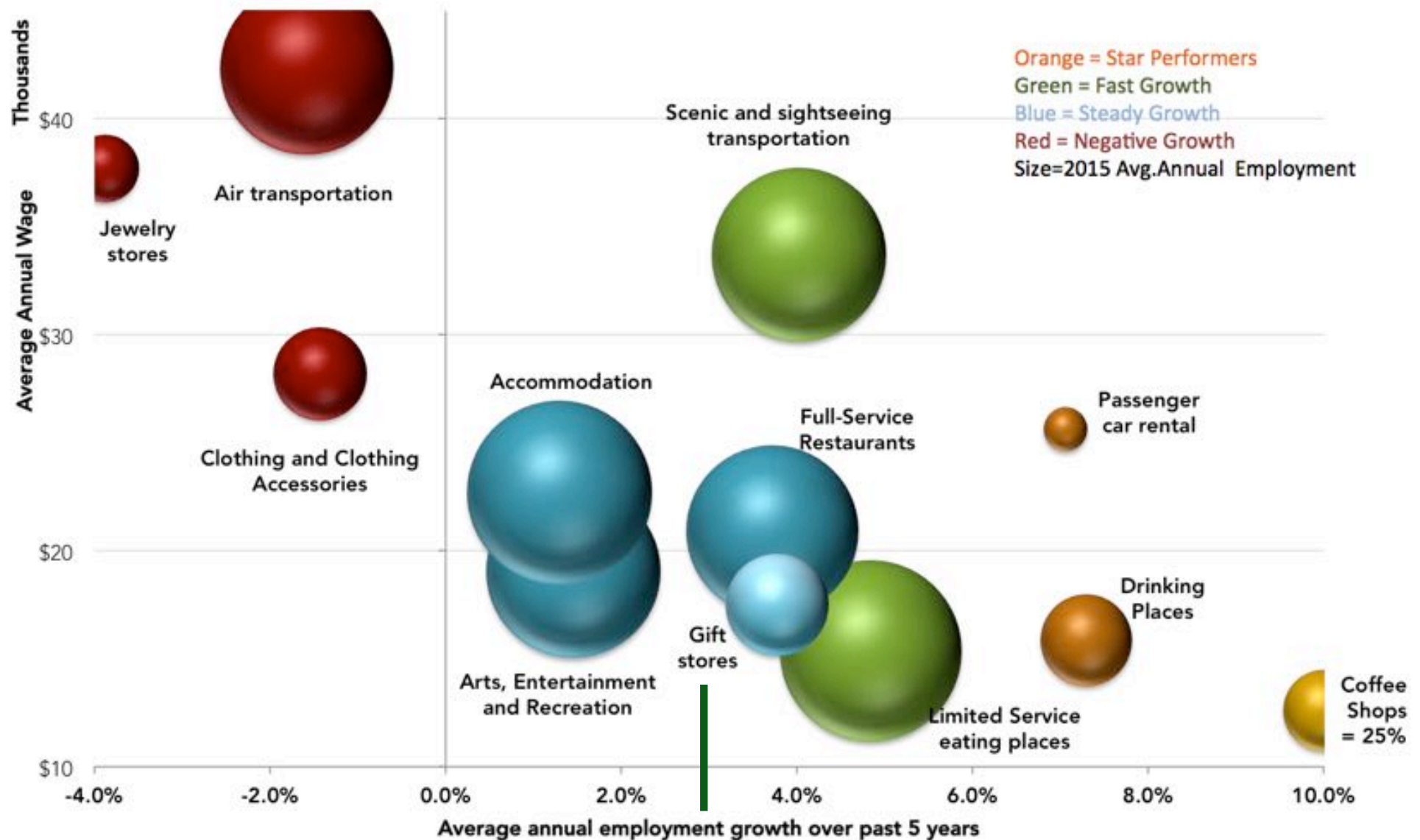
Comparison of sector elements of the Juneau visitor industry

Industry	Businesses	Total Wages	Total Sales	Avg. Annual Sales	Jobs	Avg Wages	total wages	Avg. jobs	5 yr job growth	Sales per square feet annually
Air transportation	10	\$15,282,128	\$24.5 million	\$2.45 million	361	\$42,333	\$1,528,213	36	-8%	Location not
Scenic and sightseeing transportation	24	\$12,473,299	na	na	370	\$33,712	\$519,721	15	+20%	na
Accommodation	21	\$9,325,930	\$33.4 million	\$1.5 million	411	\$22,691	\$444,092	20	+6%	\$125 (if restaurant
Full-Service Restaurants	24	\$7,470,261	Both categories \$61.3 million	Both categories \$1.2 million	357	\$20,925	\$311,261	15	+19%	\$363
Other Eateries	28	\$7,118,130			415	\$17,152	\$254,219	15	+27%	\$315
Arts, Entertainment and Recreation	37	\$7,011,977	na	na	368	\$19,054	\$189,513	10	+7%	na
Drinking Places (Alcoholic Beverages)	10	\$1,600,777	\$10.3 million	\$1 million	101	\$15,849	\$160,078	10	+36%	\$292
Passenger car rental	4	\$589,313	\$5.6 million	\$1.4 million	23	\$25,622	\$147,328	6	+35%	na
Jewelry stores	15	\$2,036,071	na	na	54	\$37,705	\$135,738	4	-19%	\$748
Gift, novelty, and souvenir stores	18	\$2,206,825	\$16.7 million	\$0.9 million	126	\$17,514	\$122,601	7	+19%	\$267
Coffee Shops	10	\$995,128	na	na	79	\$12,597	\$99,513	8	+132%	\$377
Clothing and Clothing Accessories	30	\$2,933,530	na	na	104	\$28,207	\$97,784	3	-7%	\$229
Food Truck	14	NA	na	na	na	\$11,381	\$28,452	2.5	na	na

Comparison of Visitor Industry Components in Juneau 2016: by average wage, employment, and employment growth

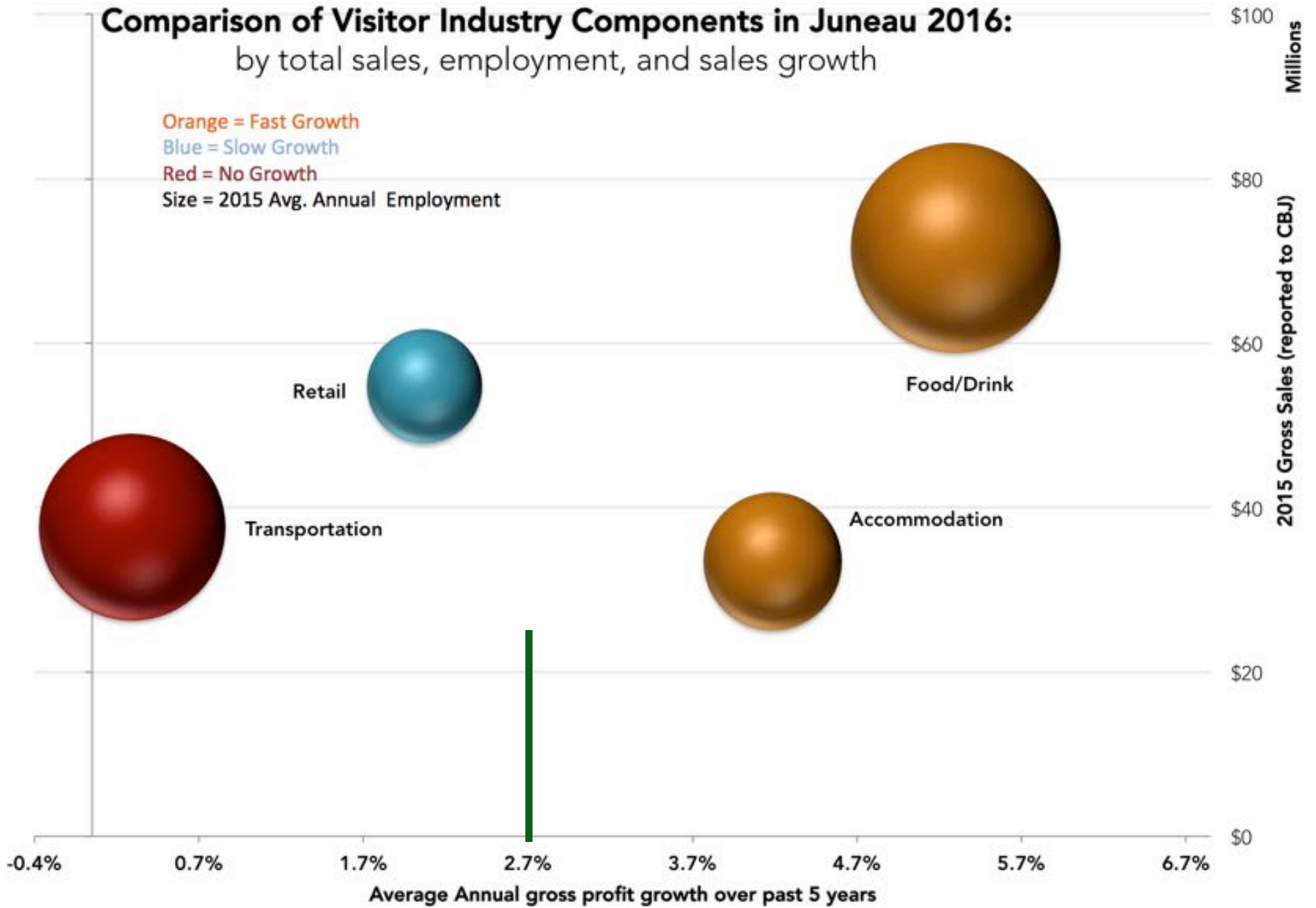


Comparison of Visitor Industry Components in Juneau 2016: by average wage, employment, and employment growth



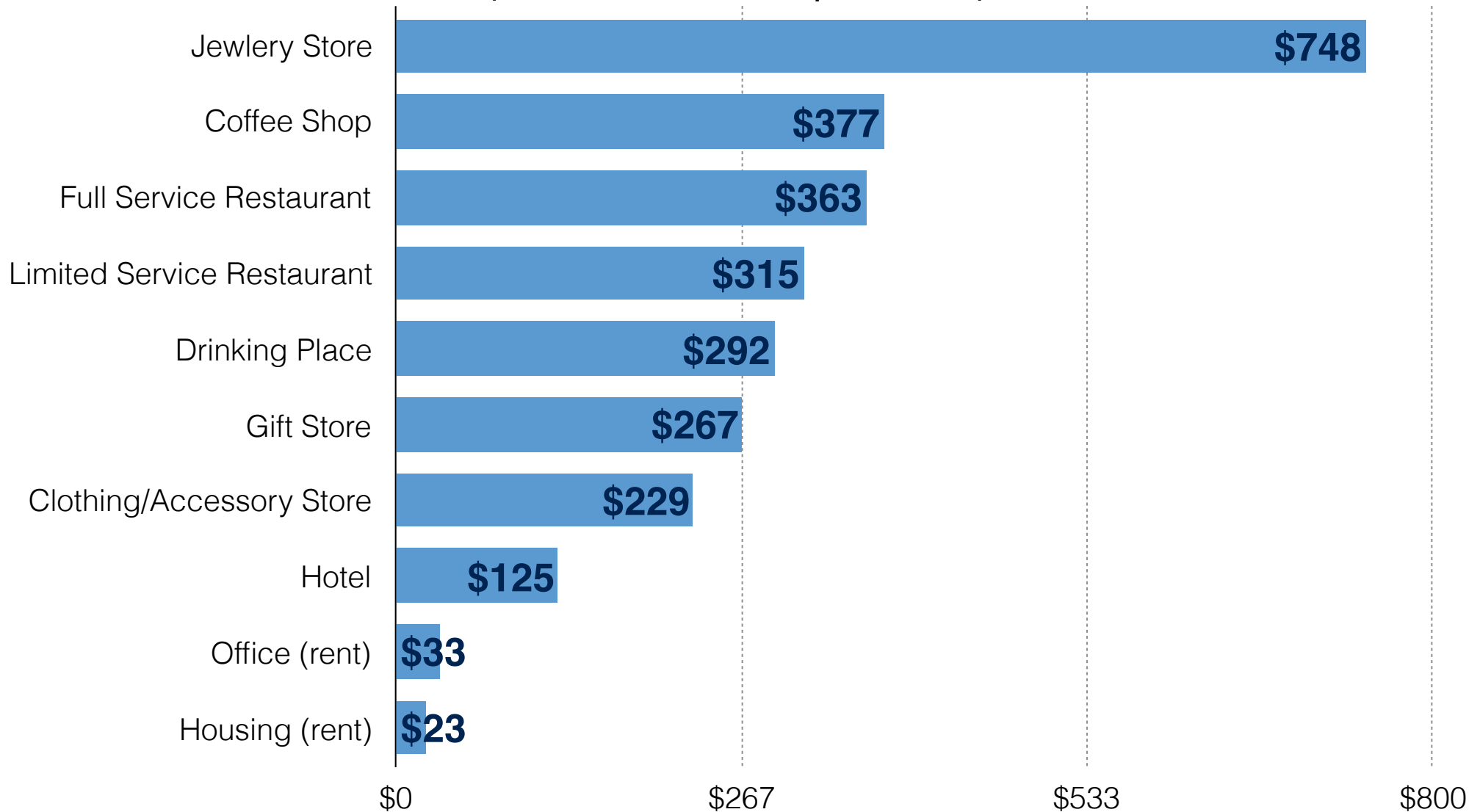
Avg. cruise visitor
growth = 2.7%

Comparison of Visitor Industry Components in Juneau 2016: by total sales, employment, and sales growth

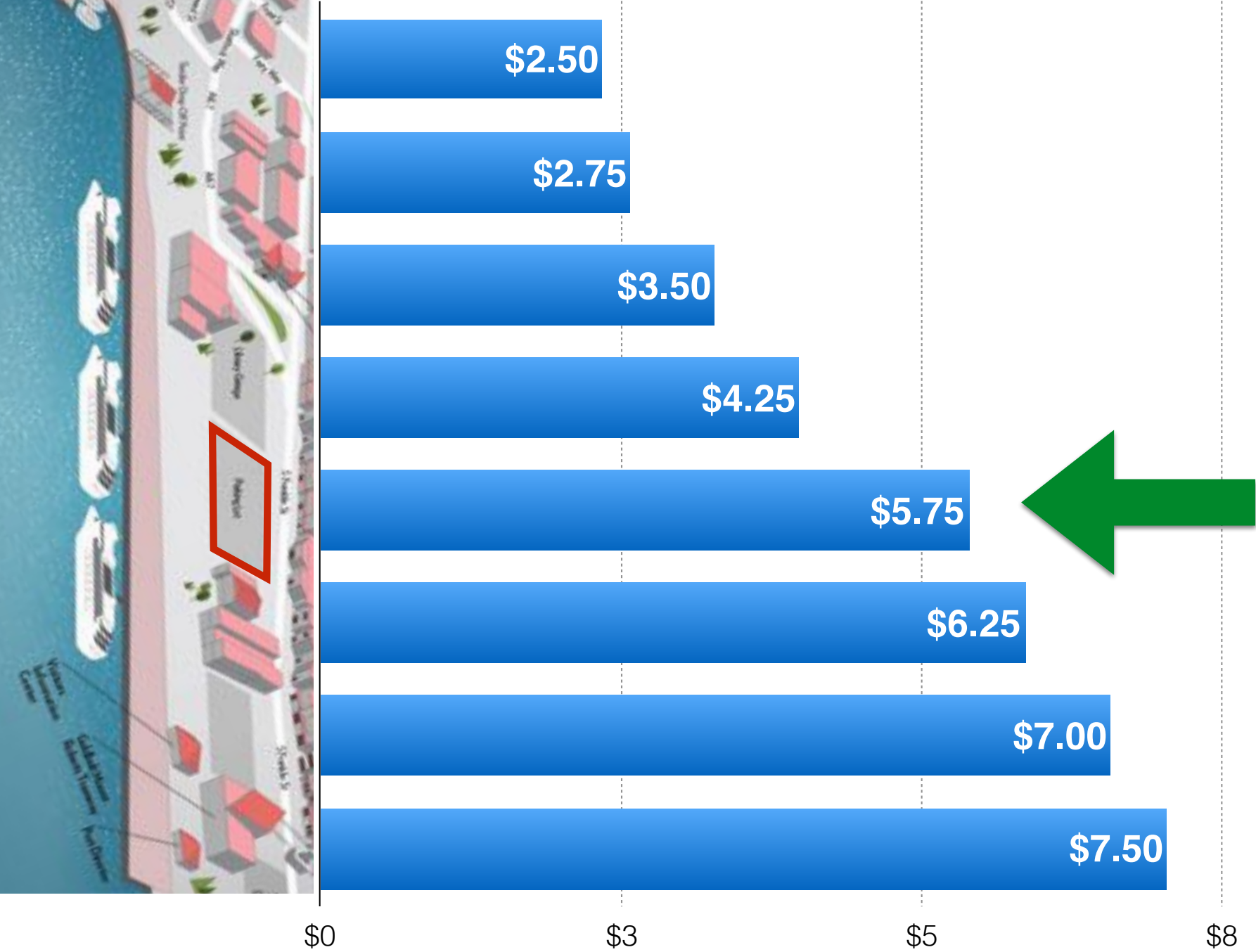


Best value per square foot

General Sales Per Square Foot Annually (not Juneau specific)

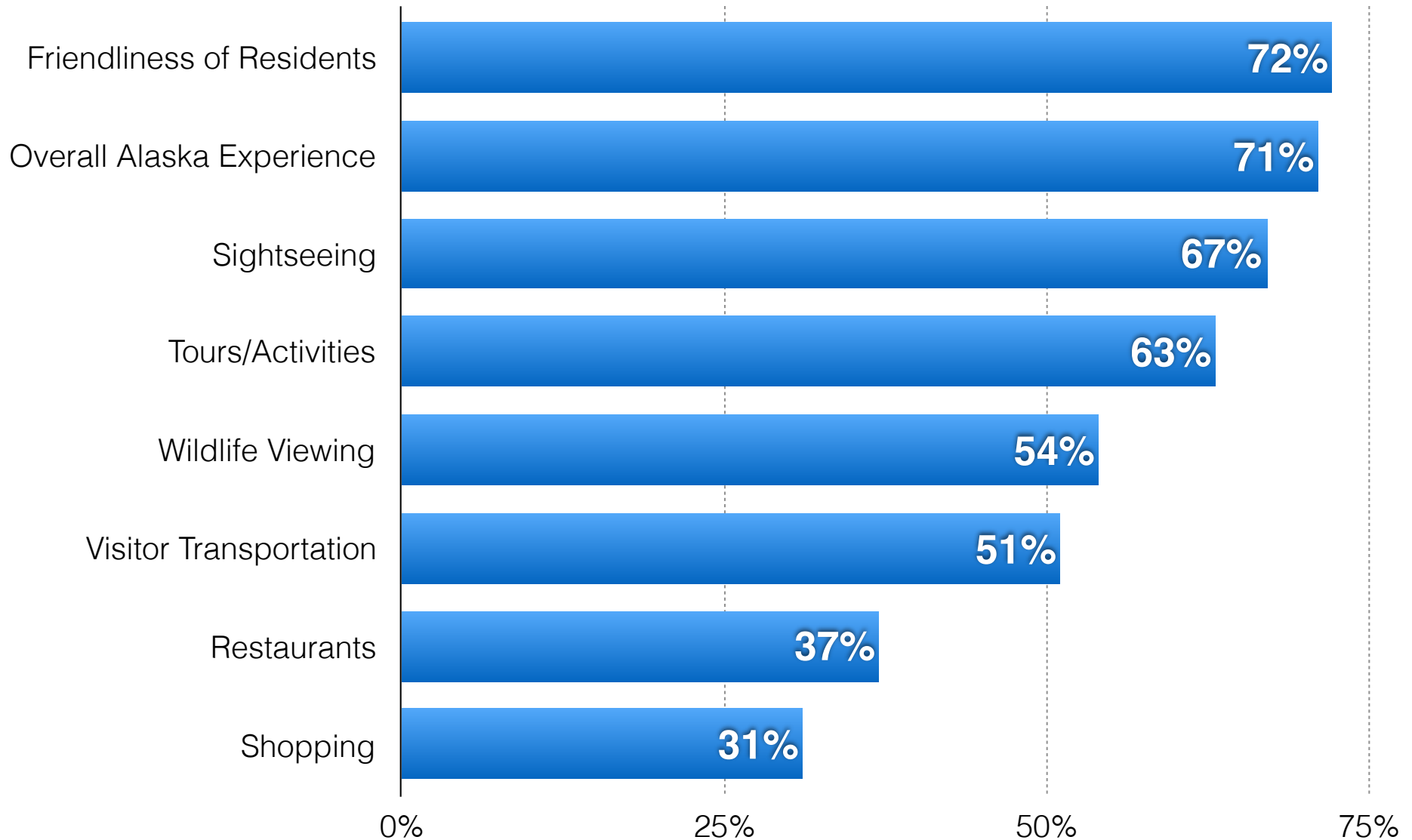


Juneau Rent Per Square Foot Based on location

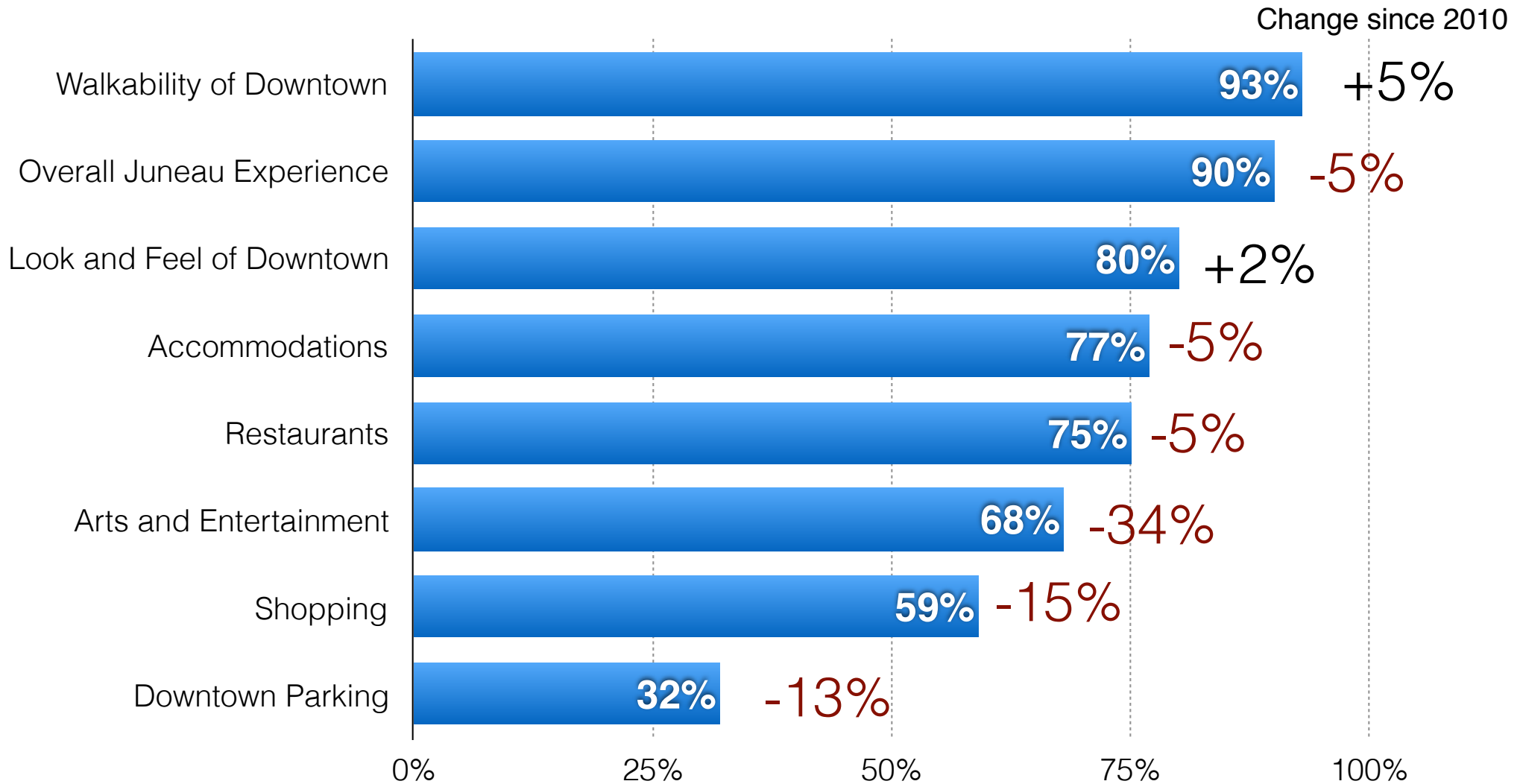


Retail Satisfaction

Juneau Visitor's Reporting they are "Satisfied" or "Very Satisfied" with Element



Juneau Visitor's Reporting they are "Satisfied" or "Very Satisfied" with Element During Legislative Session 2015

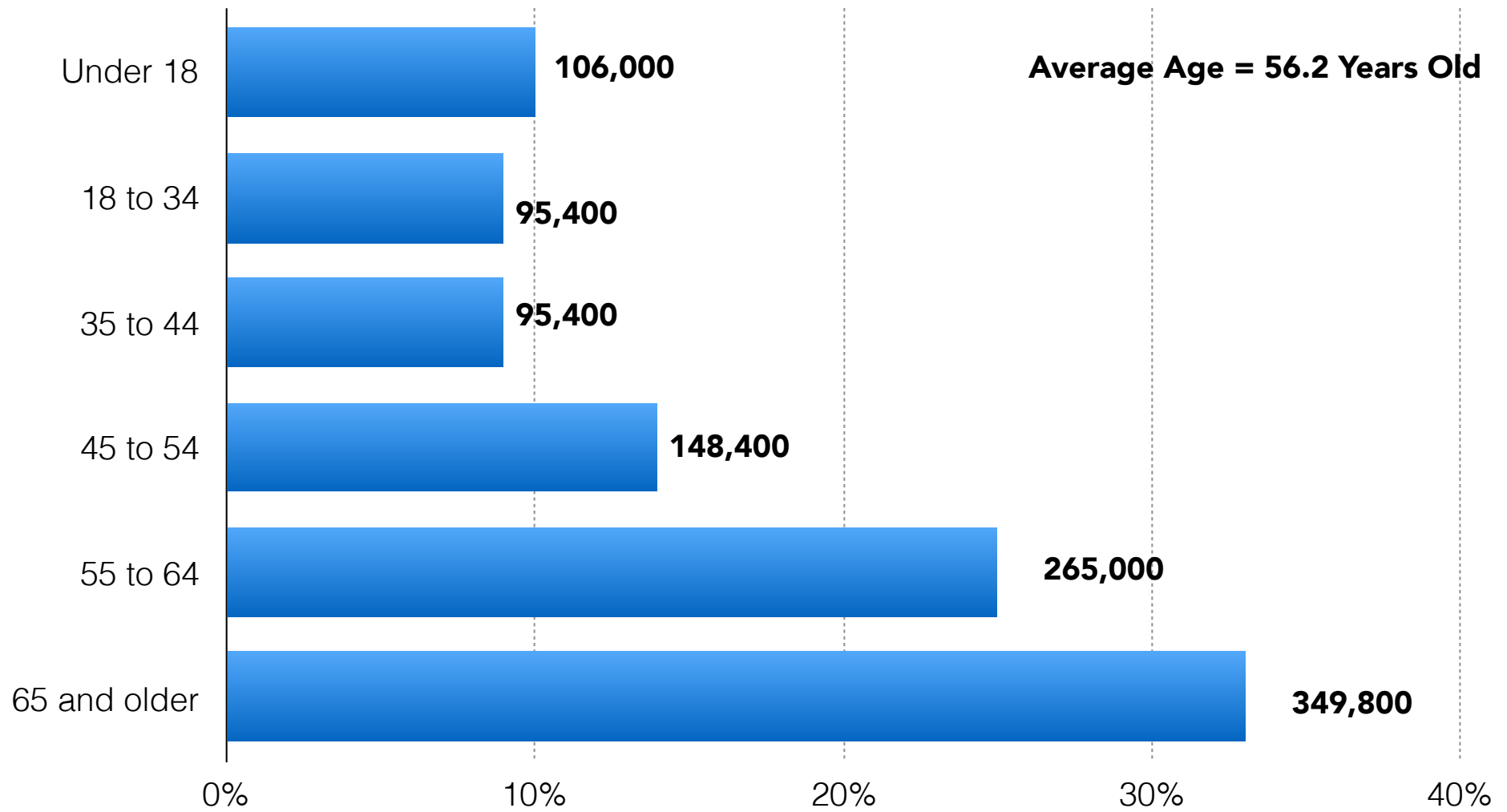


What does Juneau do well?

What else is Juneau known for among visitors? Here are some recent things we have become “known for” in the last several years, which can be summed up by excellent **recreation, art, and food**:

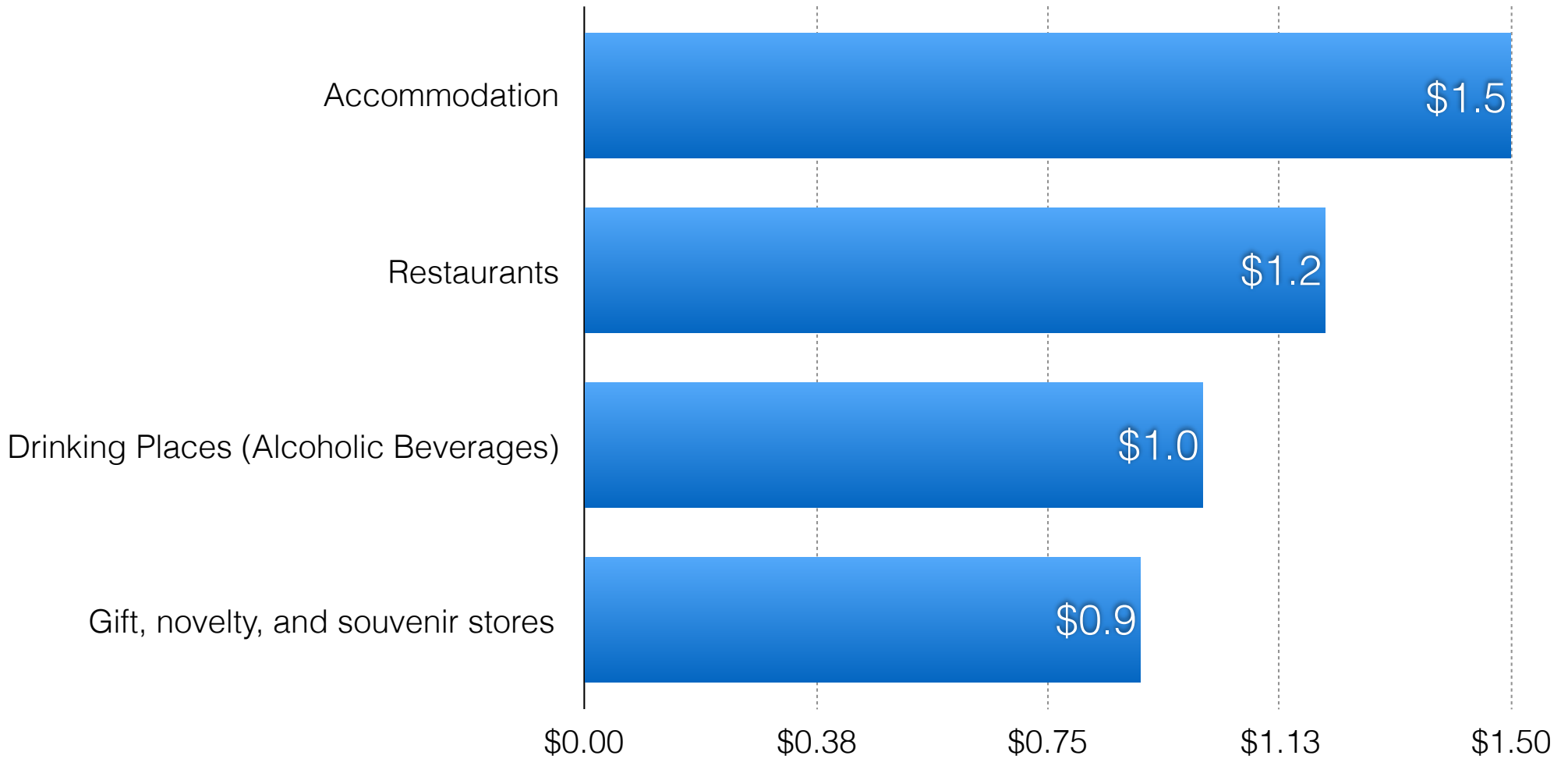
- **#12 in Best Adventure Vacations in the USA** according to The U.S. News & World Report 2017
- **#8 most “arts vibrant” small community in the USA** (with a population under 100,000) according to the National Center for Arts Research Arts Vibrancy Index 2017. Initiative to make Juneau #1 for Northwest Coast Arts in the world.
- **#1 best seafood chef in America 2015 & 2017** Great America Seafood Cook-off. **#4 for small cities with world-class food scene** according to Thrillist 2017. See also New York Times article *For Cruise Visitors, an On-Shore Taste of Alaska’s Bounty*; and Vogue’s *Southeast Alaska Might Be America’s Most Interesting Food Scene*.
- **#4 Medium sized U.S. City for Green Transportation** according to saveonenergy.com 2017, a website that bills itself as an online marketplace connecting people with energy and natural gas suppliers.
- **#11 Best Place to Live in America** based on quality of life, including affluence, education, commuting time, easy access to recreation and other factors MSNBC
- **#5 Best City in the US to Raise Outdoor Kids** according to Backpacker Magazine.
- **#1 healthiest community in Alaska** according to the University of Wisconsin 2017.

Age of Cruise Ship Passengers to Juneau 2017 Estimated



Component Analysis

Average Annual Sales in Millions



Component Analysis

1. Mixed Retail/Housing

Category	Value to Juneau Annually
Total Staff for retail (year round equivalent)	14
Total Wages for retail	\$245,196
Total Gross Business Sales for retail	\$1,855,555
Additional increased sales tax	\$92,778
Building manager profit (rent)	Approximately \$633,000
Total annual CBJ Benefit	\$152,778 + annual lease

Total Rent = approximately \$633,000 annually

In order for Juneau to have an economy capable of growth, there needs to be a higher level of housing abundance – defined by at least a 5% vacancy rate. In order to meet this rate, 620 housing units are currently needed. A mixed-use project would need a substantial number of units to be responsive to current housing needs.

Component Analysis

2. Housing Only

Total Value of 50-unit efficiency apartment building

Category	Value to Juneau Annually
Total Staff for retail (year round equivalent)	minimal
Building manager profit (rent)	Approximately \$600,000
Payment in Lieu of Parking	\$60,000?
Annual lease paid to CBJ	Unknown (\$500,000?)
Total Annual CBJ Benefit	\$60,000 + annual lease

Total Rent = approximately \$600,000 annually

In order for Juneau to have an economy capable of growth, there needs to be a higher level of housing abundance – defined by at least a 5% vacancy rate. In order to meet this rate, 620 housing units are currently needed. A mixed-use project would need a substantial number of units to be responsive to current housing needs.

In 2016, a total of **2,260 more workers** were employed in the peak month of the **Juneau visitor season** (July), compared to the lowest employment month during the "off" season (January). Peak visitor industry employment in Juneau was 4,158 workers last year. The analysis below describes these changes.

Juneau Summer Visitor Industry Employment Analysis, 2016

	Employers	Average Annual Employment	Total Earnings	Average Annual Wage	Max monthly employment	Min Monthly Employment	Increased Summer Employment
Tourism Retail	47	293	\$8,548,651	\$29,160	571	113	458
Jewelry stores and Gift, novelty, and souvenir stores	15	180	\$4,974,607	\$27,637	362	62	300
Clothing and Clothing Accessories	32	118	\$3,574,044	\$30,267	227	51	176
Tourism Transportation	37	783	\$32,351,653	\$41,344	1,280	391	889
Air transportation	9	364	\$15,954,662	\$43,811	476	272	204
Scenic and sightseeing transportation	23	378	\$14,846,337	\$39,233	755	76	679
Other	5	40	\$1,550,654	\$38,847	54	29	25
Accommodation	20	309	\$7,352,918	\$23,809	365	271	94
Food/Drink Services Total	77	1,051	\$20,538,737	\$19,548	1,248	866	382
Full-Service Restaurants	25	392	\$8,757,859	\$22,341	494	289	205
Limited-service restaurants	21	316	\$5,476,906	\$17,314	347	280	67
Drinking Places (Alcoholic Beverages)	9	101	\$1,600,777	\$15,849			
Coffee Shops	8	79	\$995,128	\$12,597			
Mobile Food Services	10						
Arts, Entertainment and Recreation	35	385	\$7,638,208	\$19,852	516	283	233
Other	19	57	\$1,107,891	\$19,408			
Total Juneau Visitor Sector	235	2,877	\$77,538,058	\$26,951	4,158	1,898	2,260

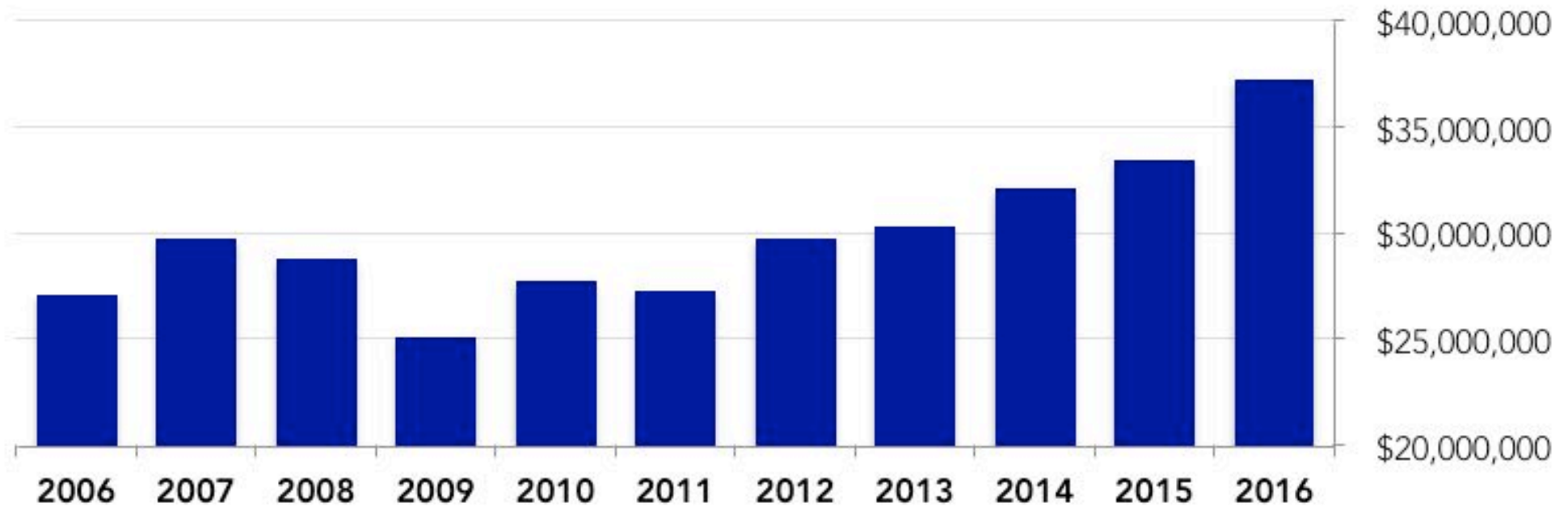
Source: Department of Labor and Workforce Development Research & Analysis Section. *Analysis by Rain Coast Data.*

Note: Peak and lowest employment months change depending on the sector, but are generally January or February for the lowest employment month, and July or August for peak employment month. Blanks mean that the data is confidential.

Component Analysis

3. Hotel

Gross Accomodation Business Sales Juneau 2006-2016



New Hotel Room Demand Projections in Downtown Juneau over Current Inventory

Year	New Hotel Room Demand at 3.2% Growth Annually	New Hotel Room Demand at 1000 new room nights annually over 2012 levels
2018	16	39
2019	32	44
2020	48	50
2021	65	55
2022	83	61
2023	101	66
2024	120	72
2025	139	77
2026	159	83
2027	179	88
2028	201	94
2029	222	99
2030	245	105

Depending on which projection is used, 100+ new hotel rooms will be needed in downtown Juneau in the next 7 to 13 years.

**Total value to Juneau based on a
new 50 room downtown hotel (in 2016 dollars)**

Category	Value to Juneau
Annual Bed Tax	\$75,000
Total Staff (year round equivalent)	20
Total Wages	\$450,000
Total Gross Business Sales	\$1.8 million
Estimated increase in visitor spending	\$4.3 million
Additional increased sales tax	\$217,300
Total Annual CBJ Tax Benefit	\$643,480 + annual lease

But is it the right location?

Component Analysis

4. Food and Drink

- The “hottest” visitor industry trend in Juneau is food and drink establishments. Employment in food and drink related businesses increased by 30% over the past five years (6% annual growth), by far the fastest growing segment of the Juneau visitor economy. Juneau has the most restaurants per capita for any city in the US.
- In 2015, restaurants and bars earned \$71.6 million in total gross revenue. All food and drink establishments had more than 1,000 average annual workers, with 1,250 workers at the peak of summer.
- An “average” restaurant earns an estimated \$1.2 million last year, and paid out a more than \$300,000 in wages.
- Juneau is becoming noted for its “food scene” with food tours developing that sample both Juneau’s eateries and drinking establishments. While this sector is booming, it is unclear how much more room for growth this sector has—as Juneau already leads the US in terms of total market saturation.

Category	Value to Juneau
Total Staff (year round equivalent)	15
Total Wages	\$300,000
Total Gross Business Sales	\$1.2 million
Additional increased sales tax	\$60,000

Total Gross Business Sales = approximately \$1.2 million annually



PIER 49

SIMPLY NATURAL
ALASKA'S BEST RESTAURANT

\$29 KING CRAB LEG
\$5 KING CRAB TACO

\$26 REINDEER SUSHI
\$21 BBQ SALMON

\$24 BUFFALO BURGER
\$10 REINDEER SAUSAGE

NOW OPEN!
PIER 49

\$24 KING CRAB LEG
\$5 KING CRAB TACO

\$16 HALIBUT FISHWICH
\$21 BBQ SALMON

\$14 BUFFALO BURGER
\$10 REINDEER SAUSAGE

Component Analysis

5. Public space/green space

- Increased pedestrian flow
- Play opportunities for kids
- Public art
- Increased perceived attractiveness of downtown

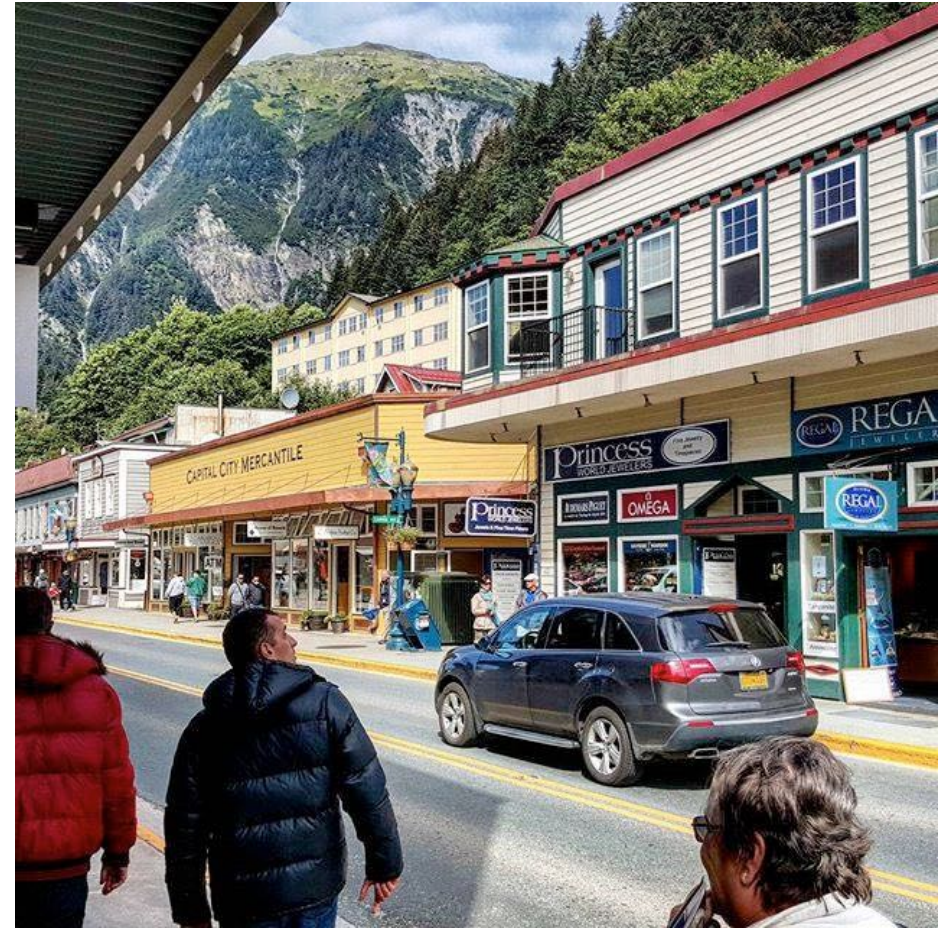


Summary

1. Retail/Jewelry Stores:

The top return in terms of dollars per square foot is jewelry stores. However, the visitor retail sector shows the least amount of growth in the community. Despite a 14% growth in visitors over the past 5 years, jewelry stores in Juneau have **reduced** staff by 19%.

Overall, visitor retail has been flat. Also, survey data suggests retail is not Juneau's strength.



2. Hotel

Rooms: The highest visitor industry need is new hotel rooms in downtown Juneau. Likely 100 new rooms will be needed in the next ten years. A hotel would also provide the highest benefit to the CBJ in terms of direct revenue.



3. Food and

Drink Industry:

The “hottest” visitor industry trend in Juneau is food and drink establishments.

Employment in food and drink related businesses increased by 30% over the past five years (6% annual growth), by far the fastest growing segment of the Juneau visitor economy.



4. Mixed-use: While more housing units in Juneau are needed, “mixed use” housing above retail stores tend to be held for summer employees, and do not provide the same level of community housing benefits that other types of house create. In order for Juneau to have an economy capable of growth, there needs to be a higher level of housing abundance – defined by at least a 5% vacancy rate. In order to meet this rate, 620 housing units are currently needed. A mixed-use project would need a substantial number of units to be responsive to current housing needs.

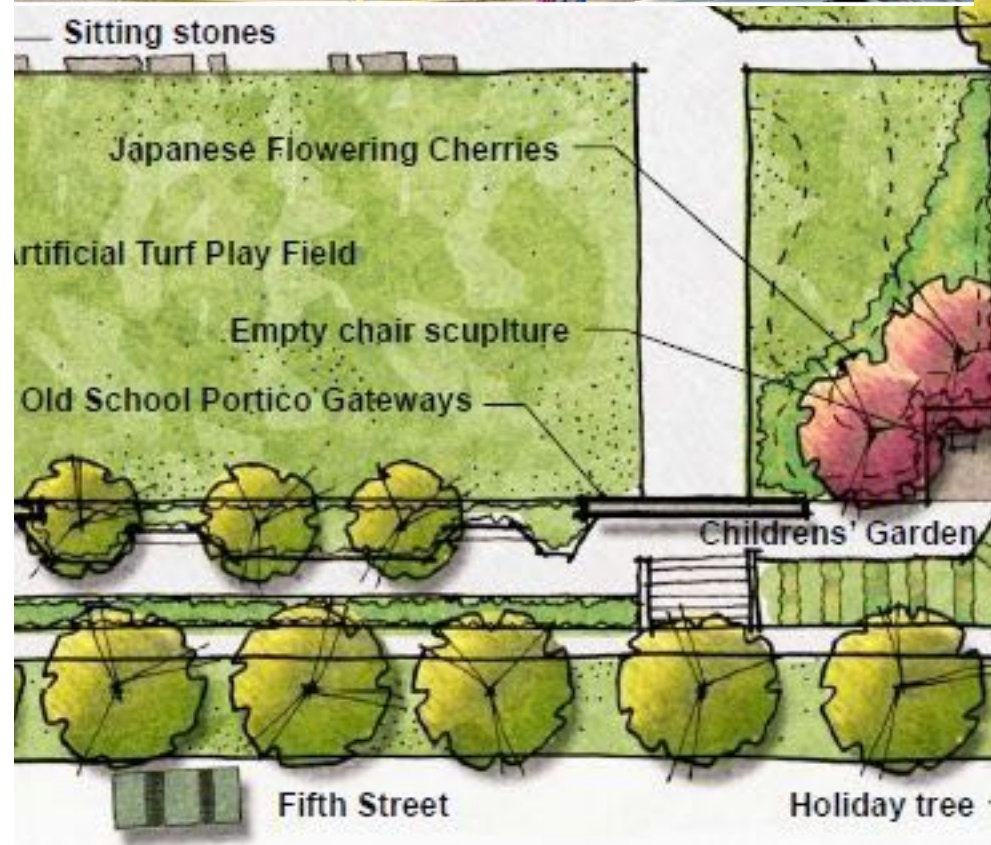


5. Kids: Despite the fact that 10% of all cruise visitors are children (106,000 kid cruise ship passengers expected in 2017) there are almost no elements of the downtown tourism industry that are directed towards kids.



6. Green Space/Pedestrian Flow Supports the Larger Tourism Sector:

Tourism Sector: Because downtown Juneau supports a \$212 million per year summer tourism season, and because the area is already so built up, it follows that the highest and best use of the space would be to develop it in a way that makes the entire corridor more attractive to visitors and easier to move through. While it is difficult to put exact dollars onto this, any use that congests the space to make a location specific dollar, but detracts from the overall downtown visitor experience would have a lower net economic value to the community as a whole.



Criteria

- Improved Pedestrian Flow
- Increased Visitor Experience
- Increased Sales Tax
- Year Round Draw
- Growing Sector
- Juneau does this well
- Proven Local Need
- Quality of life
- Good location for activity

	Improved Pedestrian Flow	Increased Visitor Experience	Increased Sales Tax	Year Round Draw	Growing Sector	Juneau does this well	Proven Local Need	Quality of life	Good Location
Public open space	Yes	Yes	Mixed	Yes	Yes	Mixed	Yes	Yes	Yes
Restaurant	Mixed	Yes	Yes	Yes	Yes	Yes	Mixed	Yes	Yes
Drinking Place	Mixed	Yes	Yes	Yes	Yes	Yes	Mixed	Yes	Yes
Food Trucks	Mixed	Yes	Yes	Mixed	Yes	Yes	Mixed	Yes	Yes
Children focused facility	Mixed	Yes	Mixed	Mixed	Yes	Mixed	Yes	Yes	Mixed
Hotel	Mixed	Yes	Yes	Yes	Yes	Mixed	Yes	Mixed	Mixed
Space for increased staging	Yes	Mixed	Mixed	Mixed	Yes	Mixed	Yes	Mixed	Yes
Mixed Retail/Housing	Mixed	Mixed	Yes	Mixed	Yes	Yes	Mixed	Mixed	Mixed
Housing Only	Mixed	Mixed	Mixed	Yes	Yes	Mixed	Yes	Yes	Mixed
Gift Store	Mixed	Mixed	Yes	Mixed	Mixed	Mixed	Mixed	Mixed	Yes
Jewelry Store	Mixed	Mixed	Yes	Mixed	Mixed	Mixed	Mixed	Mixed	Yes
No Action	Mixed	Mixed	Mixed	Mixed	Mixed	Mixed	Mixed	Mixed	Mixed

 No
  Yes
  Mixed

Component Analysis