

Long Range Waterfront Plan Amendment Public Meeting

January 10, 2022

“Great waterfronts are not developed over days or months; they emerge through dedicated action by residents, waterfront users, and community leaders over a number of years. Each successful project, no matter how small, should bring new strength to the waterfront, creating a greater economic and social sum of its constituent parts.”

LRWP



Agenda

- Purpose
- Long Range Waterfront Plan Overview
- Visitor Industry Task Force Process
- Public Survey
- Proposed Amendment
- Next Steps
- Questions

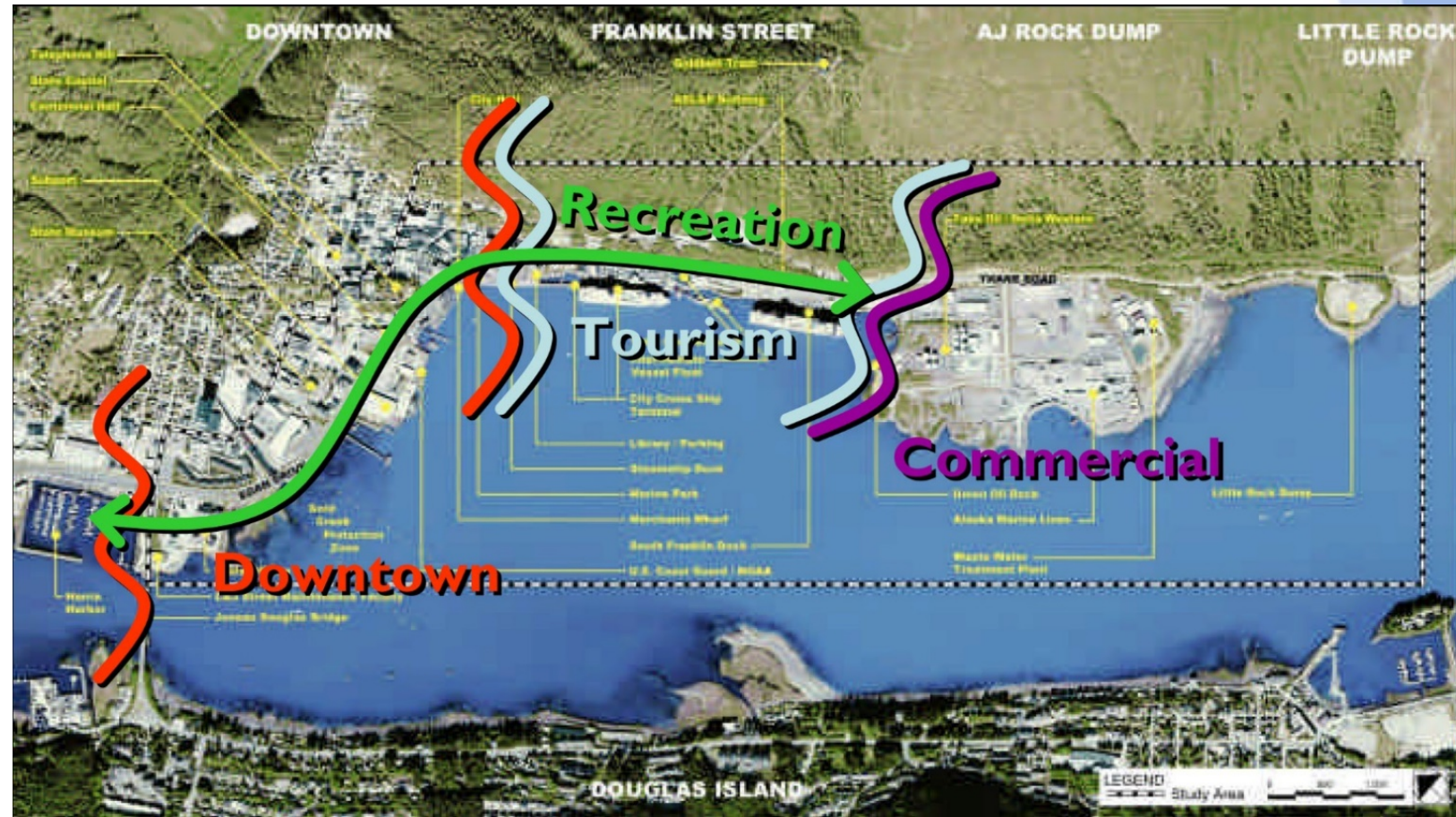
Purpose

- Discuss a proposed amendment to the Long Range Waterfront Plan
- Present draft for public comments to be forwarded to Assembly

What is the LRWP?

An infrastructure plan and guidebook to manage and focus waterfront change along four overarching goals identified by the CBJ:

- Enhance community quality of life
- Strengthen tourism product offerings as well as downtown retail, entertainment, residential and service activities
- Improve Juneau's image and attractiveness for investment
- Recognize all current waterfront uses.



LRWP Land Use and Design Recommendations

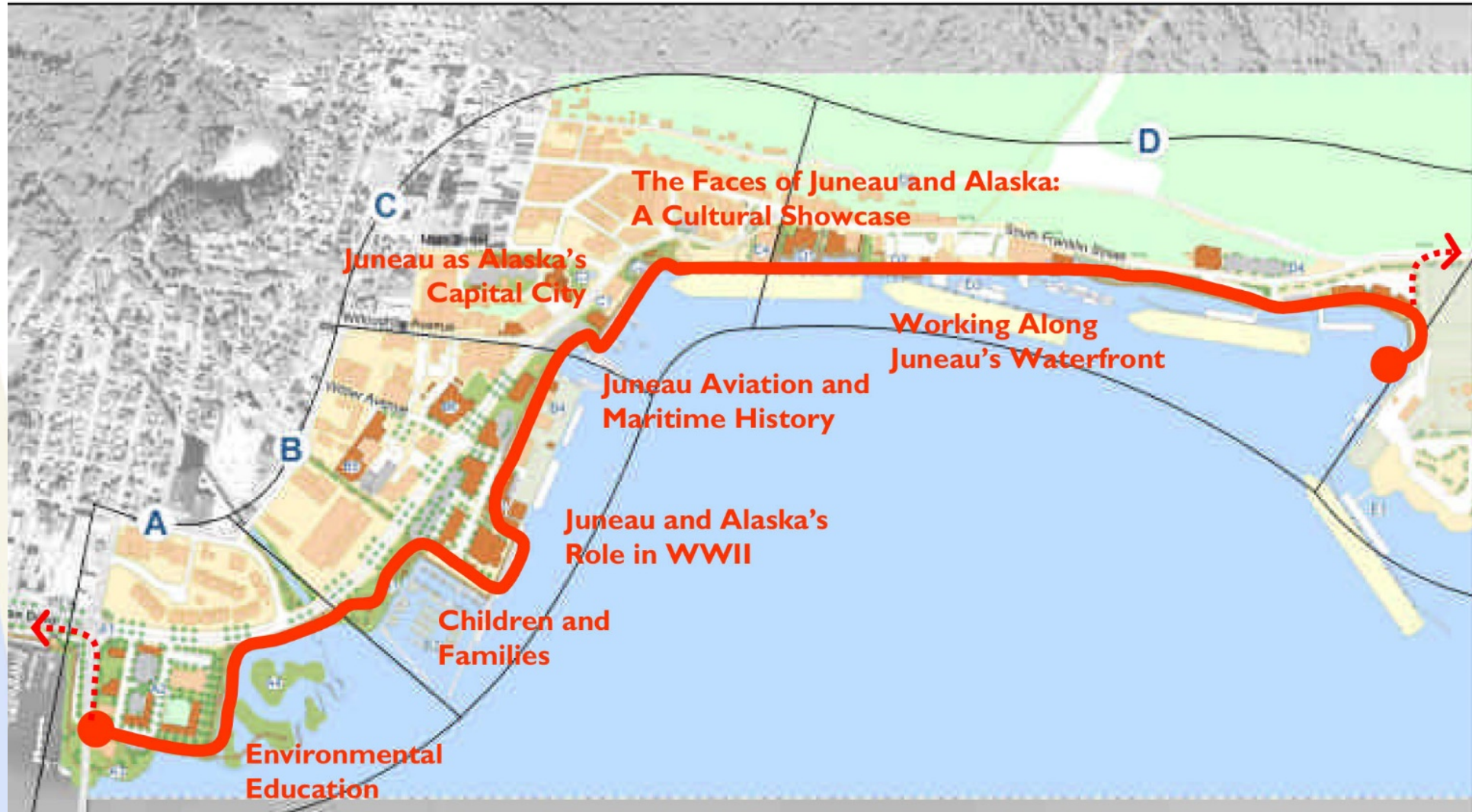


Land Use – CBJ purchase Merchant's Wharf, pursue State Capitol on Telephone Hill, redevelop Marine Park by unifying spaces, wrap Library ground floor with commercial/cultural uses, wayfinding program

Massing and Scaling – 2-3 story building height, mixed use development

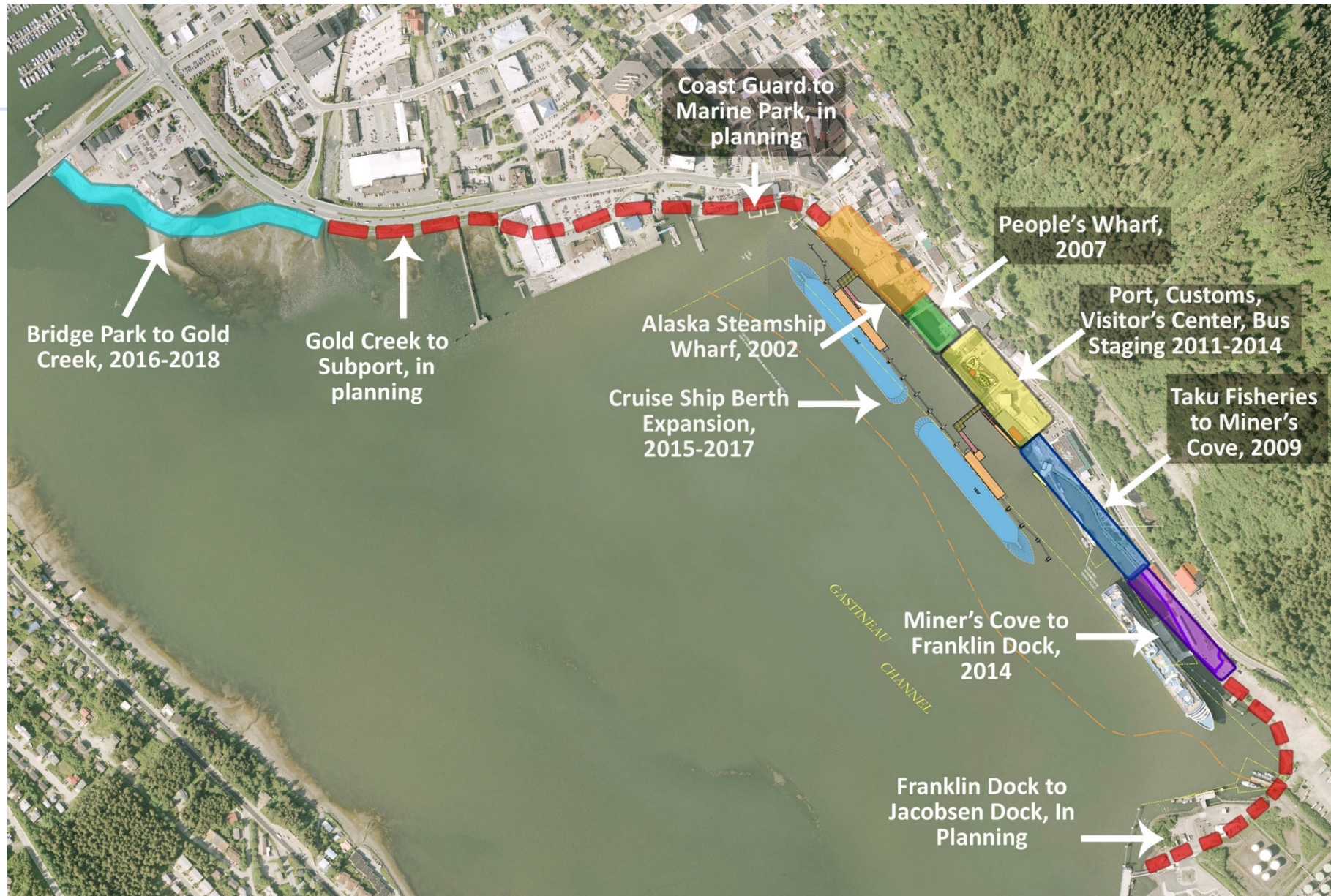
Design Focus - Attention to Character, Street Orientation, Transparency and Views

Seawalk as a Unifying Element



Proposed Themes for Seawalk in LRWP

Seawalk Construction Timeline



Area B: Support

- In 2004, Subport was owned by Alaska Mental Health Trust
- Future use options presented included a cruise ship terminal and a marina
- 2004 Recommendations
 - Mixed Use 2 zoning (rezoned to MU2 in 2011)
 - Marina development
 - Seawalk connection



Visitor Industry Task Force (VITF) Process

Mayor charged committee with making recommendations on tourism management, updating the LRWP, restricting the number of visitors and collecting public opinion on tourism issues.

- Met 12 times between October 2019 and April 2020
- Public testimony meetings on January 11 and February 1, 2020
 - Received 43 spoken comments and 156 written comments
- Delivered final report to Assembly in April 2020

VITF Recommendations – LRWP

- Do not do a full update/rewrite of the LRWP
- Complete development of the Seawalk
- Proposed construction of the 5th cruise ship dock with criteria based on community goals



VITF Recommendations – Restriction on Number of Visitors

- Numerical Caps
 - Found to be logistically impractical and legally questionable
- Limit by Infrastructure
 - Five ships per day
 - Limit anchoring and lightering
- Limit by Scheduling
 - Take a more active role in dock scheduling
 - Stagger arrival times
 - Limit hot berthing
- Limit by Negotiation
 - Continue working with CLIA on MOAs based on community goals



VITF Recommendations – Support Development and NCL dock proposal

VITF supports a Support dock if the following criteria are met:

1. One larger ship per day using one side of the facility
2. Maximum of five larger ships in port per day
3. No hot berthing at the new facility
4. No larger ships allowed to anchor as 6th ship in town
5. High quality uplands development for community and visitors
6. Year round development orientation
7. CBJ manages dock to some extent
8. Dock is electrified



VITF Recommendations – Collect Public Opinion

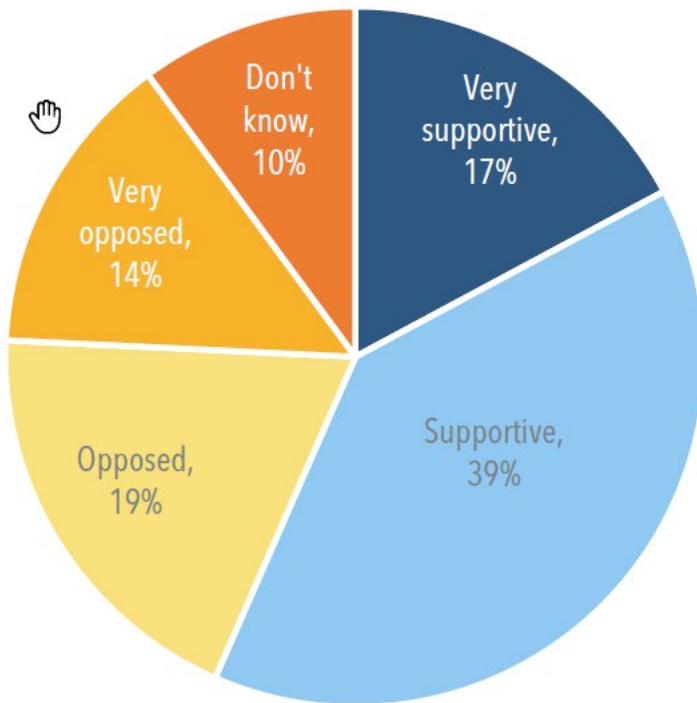
VITF recommended hiring a contractor to complete a public opinion survey. This data could be compared to similar surveys completed in 1995, 1998, 2002 and 2006.

- Random sample, statistically valid survey of 500 Juneau households
- Conducted by McKinley Research
- Asked residents about a range of tourism-related issues

- 2003 LRWP process also included a survey
- Self-selected, mail-in format
- Presented development alternatives for each planning area

2021 Tourism Survey - Subport

Are you very supportive, supportive, opposed, or very opposed to Norwegian Cruise Line constructing a new cruise ship dock at the subport?



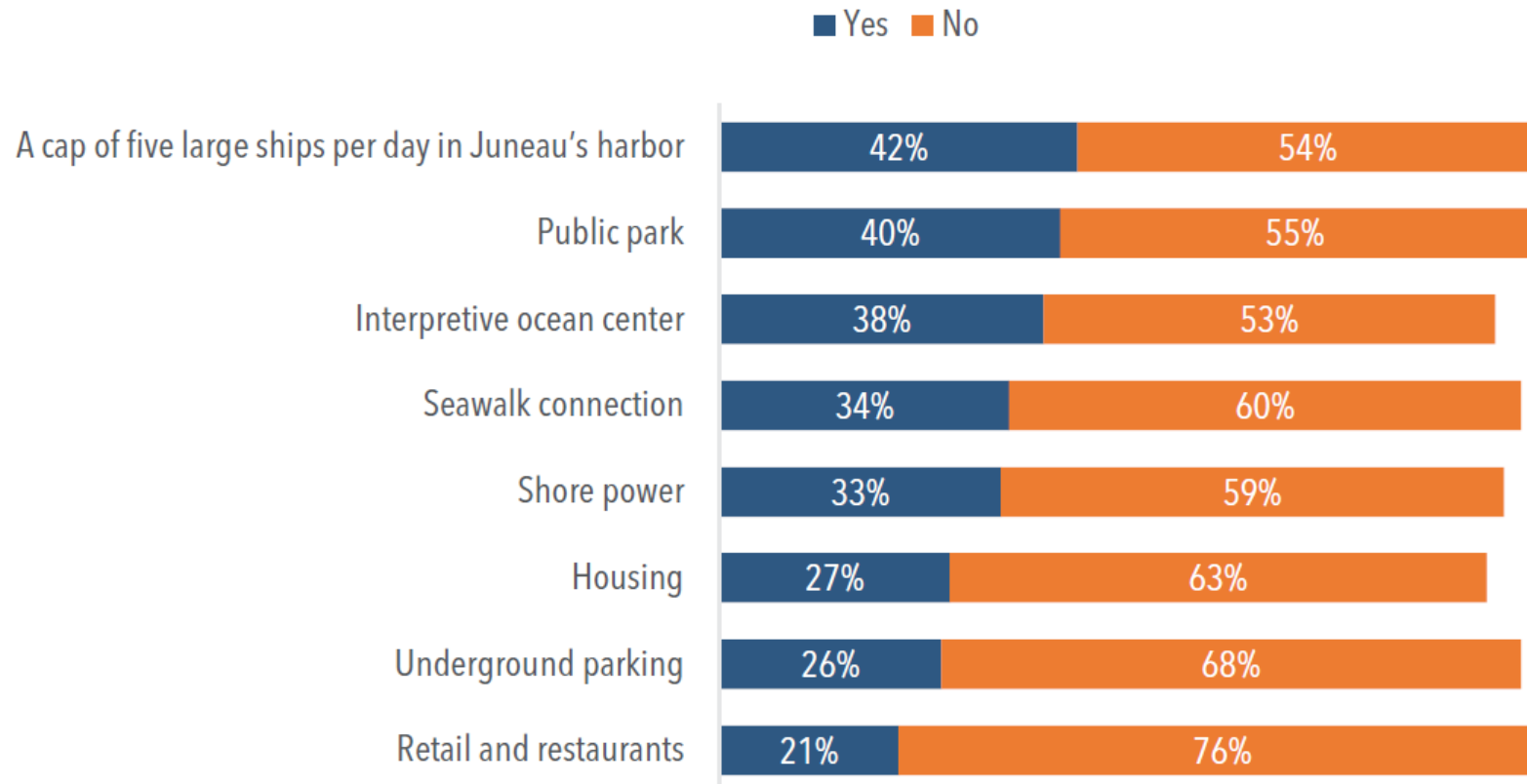
56% of random sample survey respondents supported constructing a new cruise ship dock at the Subport

33% of respondents were opposed

Survey results from random sample phone survey and self-selected online survey are available at <https://juneau.org/assembly/visitor-industry-task-force>

2021 Tourism Survey - Subport

(If Opposed or Very Opposed) Would your level of support increase if the dock project incorporated any of the following elements?



Note: Rows do not add to 100% due to don't know responses.

Long Range Waterfront Plan Amendment Process

- Amendment criteria from the LRWP
 - Requires a public process
 - States that capacity of the port should not exceed five large ships (greater than 750 feet) at berth or at anchor
 - Should address a list of nine issues through design
 - Many of these issues would be evaluated through the Conditional Use Permit process for the uplands
- An amendment to the LRWP would be limited to the tidelands portion of the Subport property, uplands development would conform to current MU2 zoning and the LRWP

Long Range Waterfront Plan Proposed Amendment

Page 47 will be revised to read as follows, with other minor supporting text edits throughout the document:

“On DATE, the CBJ Assembly voted to amend the tidelands portion of Area B (Figure 33, B2 and the tidelands area of B3) to allow for creation of a dock facility capable of accommodating one large cruise ship as well as docking facilities for U.S. Coast Guard and NOAA vessels. Criteria for this development are described in Appendix B. All other Area B recommendations and design criteria are retained under this amendment, including uplands development and park facilities.”



Long Range Waterfront Plan Proposed Amendment – Appendix B Criteria

- Proposals for subport development should be evaluated against the criteria stated by the VITF and the LRWP
 - Impacts to navigation, view planes, environment
 - Recommendations for uplands development
 - Advancing community goals including dock electrification and mitigating congestion



Next Steps

- LRWP Amendment
 - Online at <https://juneau.org/manager/tourism>
 - Public comment period - January 11 - 31
 - January 24 – Assembly Committee of the Whole
 - February 7 – Proposed Assembly Introduction
 - February 28 – Proposed Assembly Public Hearing
- NCL Dock Permitting
 - Conditional Use Permit: Planning Commission Hearing
 - Assembly negotiation and decision on tidelands lease

Questions?

*Provide comments by January 31 to
alexandra.pierce@juneau.org*

Public Meeting

January 11, 2022

TRANSCRIPT

Michele Elfers: What we're going to present in a couple minutes, in terms of a potential amendment, and then really be able to make some informed comment on it. That's really why we're here today, to hear what you all have to say about this idea. What the long range waterfront plan is was a community plan that we developed around 2003. There was an extensive public process at that time, steering committees and lots of meetings and they turned on plan and then in 2004 the Assembly adopted it. Really what it was laying out was it a vision for our waterfront and for development of the waterfront. Looking at functional pieces of the waterfront like you can see here that's commerce, there's recreation, there's tourism and industrial as well.

We take the uses that we have and develop some vision for what we want it to be in the future. Some of the vision that we had back in the early 2000s was quality of life and tourism and downtown business and retail. A lot of the things, actually if you read the plan today, I'm always surprised on how valid it still in terms of my understanding of what, where our community is at on the waterfront.

Take a look at it, it really is an infrastructure book, it's a guidebook on how to develop our waterfront and that we have for waterfront. Alice can you advance the slides?

So, and the plan really is, as I said, it's a guidebook of elements, so it has a lot of details on design standards. It's things like how high the buildings be? And, you know, can we see, are there good sightlines from this side downtown to the waterfront and back? And then there's ideas that are specific to sites, you know what should we do with Merchants Warf, and Telephone Hill, or the State Capital? There's actually a lot of really specific conditions, and I think the underlying theme of it is really how do we make our waterfront a place for people? How do we make it human scale where people can get to the waterfront, and really support our economy businesses that are there? And it's a guidebook to do that. Move on to the next slide.

One of the major elements of the waterfront plan is the seawalk and, as you know, we've been working on it for many, many years. What the seawalk does, spatially, is it unifies the waterfront, which is really diverse and it's pretty long. I think also what you have with the seawalk is, not only not only unifies uses, but it really has unified the community.

Back then, when we were developing the plan, there were a lot of different opinions about what our waterfront should look like, which you know it's kind of similar to where we are today, right?

And the seawalk really was something that the entire community could get behind because it's really a pathway or a trail on the waterfront that lets people access and enjoy what we have, as this amazing resource. Can you forward the slide?

So this view is our timeline for seawalk construction along the waterfront. We've been working on it for many years and we've lot done, I think, (*unintelligible*). For the timeline, often times the construction and development of the seawalk ties into construction around it, so it's an interesting to slide to see

(*unintelligible*) planning, that's what we're going to talk about. You can still see the white building is still there are in this picture, but it's it's not there anymore. Can you forward the slide?

And these two sections that are red, they are challenging because of property ownership and property use issues. So, in the support section, when this plan was written the support was still only Mental Health Trust and, as we know, it's not like the private ownership part. Of course there are portions that are in private ownership and portions that are in public ownership, which, which makes it pretty complicated.

This image, you see here is actually an excerpt from the long range waterfront plan. The plan has the waterfront divided into the sections, A,B,C,D,E,F. Each section has various design scenarios. This scenario that I have here on the slide is actually the recommended one of the plan, but there were many others for this area. They included all sorts of things like, you see here, like parks and seawalk and marinas. Some of the scenarios had large cruise ship docks small cruise ship docks. They have different mixed use buildings and scenarios for how to develop that area. This is what was recommended through the public process, the development that you see here.

Ms. Pierce's is going to talk more about our more recent planning efforts for the waterfront and that will lead into (*unintelligible*).

Andcan you can hear us?

Alexandra Pierce: Thanks Michelle we lost you on the last sentence that you said. I'm assuming that will lead into justification for the proposed amendment.

So more recently we held the Visitor Industry Task Force which, as I mentioned before, Michelle and I were staff to, and I recognize many of the people at this meeting from that process.

The task force met for six months and received around 200 public comments. There's a link to the VITF report on the web page for the proposed amendment.

I'll walk through some of the key recommendations now, but I encourage you to read the full report. We're giving you a ton of homework reading homework tonight, it turns out.

If you haven't already. The task force discussed a range of rich of tourism related issues and we discussed the support pretty extensively.

The task force was established by the mayor with for charging questions, related to:

1. Related to one business or industry management.
2. Updating long range waterfront plan.
3. Restrict, the kind of persistent idea of a restriction or cap on the number of visitors.
4. Collecting public opinion on tourism issues through surveys.

Tonight we're talking about the Long Range Waterfront Plan and how it relates to the kind of last two recommendations, the restriction on the number of visitors and collecting public information. Also to support development, which was not in the mirrors charging questions, but it was decided during the Visitor Industry Task Force process that it was appropriate to add that, and for the task force to make a recommendation on the support itself.

So the long range waterfront plan:

One of the questions centered around whether to do a full rewrite of the longer term plan. The VITF did not recommend a full update, but underscored the need to complete and connect the sea walk. They also recommended constructing a fifth cruise ship dock, as long as the development meets a set of criteria that align with community goals. Regarding the restriction on the number of visitors, there's a persistent recommendation throughout CBJ's planning documents and past surveys to limit our port capacity to five ships a day. Based on the information that we have today, a fifth dock at the subport, as proposed to be constructed, helps achieve this goal. However, infrastructure is one of several levers that we have for establishing limits.

I was talking about this with Rorie, just before the meeting. This is a large and messy topic that's one of our next big tourism management discussion challenges.

Even in the event that a dock limits our capacity to five ships, we know that ships are getting bigger, we know that it doesn't automatically cap our capacity at where it is now, and we know that that's kind of an area of research and analysis that that we need to pursue.

And that a dock is frankly more attractive than the idea of anchoring and lightering. That that plays into a larger regional context with a lot of variables that that we need to consider. The other limiting options that were found were limiting by scheduling and limiting by negotiation.

Limiting by infrastructure is very much the simplest of those three options, and whether or not to build a dock is kind of a "yes" or "no" decision compared to having regional context discussions about scheduling and working with Cruise Line International Agencies Alaska on MOUs. Based on community polls, those are long term goals that we have and things that we're trying to achieve in the short term as well. This is really the first step in that limiting discussion with the visitor industry.

Leading into that, the Visitor Industry Task Force supports the five ship concept as well as the subport dock if the following criteria are met.

- One larger ship per day, using one side of the facility. The VITF defined "larger ship" as 500 passengers or less.
- A maximum of five larger ships in port per day.
- No hot birthing at the new facility. For those not familiar that's when one ship comes in, in the morning and then leaves usually mid-day, and another ship takes its place. The idea is kind of we want to see one ship per dock per day or per birth, whether that's dock or anchor and regardless of whether this proposal goes through.
- No larger ships are allowed to anchor as the sixth ship in town.
- High quality uplands development for community and visitors.
- Year-round development orientation.
- CBJ manages the dock to some extent.
- The dock is electrified.

The task force also recommended that we collect public opinion similar to surveys that we did in the late 90s and early 2000s.

We conducted a random samples statistically valid phone survey and a self-selected online survey. The survey report came out a couple months ago. More reading homework. The survey report is linked, also, on the page ere the amendment lives on our on our website.

If you're interested, I find it pretty fascinating, I would take the time to read that.

And when the long range waterfront plan itself was written, as Michelle mentioned, there was a pretty large public process around it. There was a self-selected survey as well as a mail-in survey as part of the public engagement process.

We asked residents about the proposed development in our recent survey.

This was both at the direction of the Assembly and the Visitor Industry Task Force. Also to follow the guidelines that exists within the long range waterfront plan to engage in a public process for future amendments.

We asked, "Are you supportive, very supportive, opposed, or very opposed to Norwegian Cruise Line constructing a new dock at the support?" 56% said they were supportive 33% said they were opposed.

Again, the link to the Visitor Industry Task Force page has the survey, as well as our CBJ tourism page.

Of the 33% who said they were opposed or very opposed, they were asked if their level of support would change if the project incorporated certain elements based on the Visitor Industry Task Force recommendations, as well as some of the development proposals that we've seen to date. Of the 33% of people who said that they were opposed are very opposed,

- 42% said that their level of support would increase with the five ship limit.
- 40% of those opposed said their level of support would increase with establishment of a public park.
- 38% said support would increase with an interpretive ocean center.
- 34% for seawalk connection.
- 33% for shore power.
- 27% for housing.
- 26% underground parking.
- 21% of the 33% of people that said they were opposed are very opposed said their level of support would increase with the development of retail and restaurants

Additionally, within the long range waterfront plan itself, there is an amendment process.

It includes three main points.

- No new docks until a borough wide study of cruise ship alternatives or 2007, whichever comes first. It's 2022 so we've met that.
- The port capacity should not exceed five ships. Again, this is a persistent idea throughout our planning documents.
- Any proposal should create a design that addresses a list of issues, and some of these align with the VITF. Both the VITF and the waterfront plan amendment framework have criteria that relate

to the uplands development and would be evaluated through the conditional use permit process.

There's no proposal to amend the uplands portion of the long range plan. This amendment would be specific to the tidelands area, of area B, and all recommendations for the uplands remain the same. Within the plan itself there's the recommendations for the uplands portion of area B are mixed use zoning, and we think that that's really compatible with any development that we'd like to see there.

The support was rezoned to mixed use 2 zoning in 2011 to implement the long range waterfront plan, and so this amendment really is very surgical to just the tidelands portion of this area.

You can see here, the proposed amendment text would read, it would replace a paragraph within on page 47,

“On, (whatever date), the CB J Assembly voted to amend the tidelands portion of area B, Figure 33, B2, to allow for creation of a dock facility capable of accommodating one large cruise ship, as well as docking facilities for U.S. Coast Guard and NOAA vessels. Criteria for this development are described in Appendix B. All other area B recommendations and design criteria are retained under this amendment, including uplands development of park facilities.”

So, additionally, we would add a new appendix B to the plan, and that includes the amendment criteria that the Visitor Industry Task Force created, as well as the amendment criteria that are within the Long Range Waterfront Plan document on, I believe it's page 61. The idea being that, as we move forward, should this amendment be adopted by the Assembly, as we move forward in future planning and permitting processes, those criteria would live within a planning document and would provide the Planning Commission with a framework for evaluation when reviewing a future conditional use permit, and would make sure that the Visitor Industry Task Force criteria live within a CB J planning document, and the amendment criteria for the Long Range Waterfront Plan are carried forward. The amendment criteria within the Long Range Waterfront Plan very much contemplates constructing a cruise ship dock at the subport. The subport was really the big unknown ownership piece on the waterfront back in 2003 when the plan was written. The amendment criteria really contemplated a proposal such as this in the future, and we want to make sure that we honor them because it was a very well thought out process.

Next steps, the amendment is online at juneau.org/tourism. There you'll see the amendment itself, you'll see the proposed appendix B, there's a link to this PowerPoint presentation, so you can read through that.

We ask that you submit public comments by January 31 emailed to me and Alexandra.Pierce@juneau.org.

Then I will be presenting to the Assembly Committee of the Whole about this on January 24, and then the idea is for Assembly introduction on February 27, and a public hearing on February 28.

That is depending on other agenda items and what the Assembly process ends up looking like, whether it gets sent to committee again.

Additionally, next steps, the Norwegian Cruise Lines will have to apply for a conditional use permit to be heard by the Planning Commission, and that's for the entire development.

And then, following that, the Assembly would negotiate and make a decision on a tideland lease. So, like I said, this is the first step of several decision points by the Assembly and the Planning Commission I'll just try to go to the web page, so that people can see it.

Well I'll move this forward and, just so you have my email address for questions, and then I'll share what the web page looks like. While I'm doing that I will ask that people type any clarifying questions into the question and answer box. Michelle, Rorie and myself will do our very best to answer them. And there you go, so we have the tourism page here under waterfront planning.

We have the text amendment draft, the appendix B, draft a link to this presentation, a link to the Long Range Waterfront Plan, the VITF recommendations, the survey report. Please, please read through, provide your comments, and we look forward to receiving an email by January 31. Again, Alexandra.Pierce@juneau.org.

City Clerk: I'll type that URL for the website into the answer box under questions and answers, if people need the link.

Alexandra Pierce: So right now, we have one question saying, "Where in the Long Range Waterfront Plan do we consider Juneau obligations as citizens and CBJ to greatly reduce greenhouse gas emissions from all sources, internal and external, including from cruise ship propulsion, dock, hotel, energy and shore excursions, ground, marine and aviation?"

Not within the scope of the long range waterfront plan. We do have a Renewable Energy Strategy, as well as Climate Action Plan, neither of which I am particularly expert on. You know, I will also say that short power is one of our major stated goals, and something that we're working towards. That piece is not it's not within the context of the waterfront plan itself, it is within the context of other city planning documents. Do either of you have anything to add about that?

Rorie Watt: No, the only thing I would add, is, I guess, I do have something to add. In the context of the Assembly goals, while they don't identify that type of goals, specifically with this project, they do have broader climate change or climate change planning or awareness goals. I think it's a good question.

Alexandra Pierce: Kind of to that point, Rorie, we have another question saying, "By what vectors does CBJ influence and negotiate with the business or industry, especially the cruise ship industry, for arranging for large reduction in greenhouse gas emissions?"

There are a number of recommendations from the Visitor Industry Task Force that talk about climate change and emissions, electric buses, dock electrification. We've been talking about the concept of an electric glacier shuttle for quite some time. I think those are kind of the more simple solutions.

And so that's a really good question with a number of complex answers, and I think that it's something that we need to continue working on. Anybody else have anything to add?

Rorie Watt: Yeah I'll jump in. So as I sort of think about the evolution of CBJ's engagement with industry. So, the long view, a lot of tension in the early 2000s, waterfront plan 2003 ish, kind of an infrastructure phase for the better part of a decade, a lot of tension about the legality of fees, litigation, the Visitor Industry Task Force report, and then COVID. The unfortunate thing about COVID with regard to tourism planning is, I think it really stalled us out as a community, on working towards our community goals,

relationship with the industry, trying to figure out exactly what it is we want, and what we want to prioritize.

A lot of informal conversations with industry on shore side activities, like Alex mentioned. But I think one of the big recommendations of the Visitor Industry Task Force was, negotiate with industry to achieve community goals, and the Visitor Industry Task Force simply came up with a lot of goals that are visitor-industry-centric. They're not the only community goals. I think identifying exactly what we want and where we want to head is really important. Kind of due to our trajectory, I mean it was we were back in early 2020, when we were sort of primed to get going. We stalled out for two years and now we're back at it.

Alexandra Pierce: So the next question.

“Given the Long Range Waterfront Process, specifically addressed and rejected a cruise ship dock here, and that you're proposing to amend that. How does the public have any faith and guarantee that the second side of the dock won't be converted for cruise ship use down the road? Is there any legally binding and non-changeable way to assure this?”

Well firstly, the Long Range Waterfront Plan did recommend a Marina instead of a cruise ship dock there and also provided an amendment process that very much contemplated a future cruise ship dock, and we're following that that process now. Things have changed a lot since 2004. I think the simple answer to the second side of the dock is both the way that the dock itself is constructed as well as the tidelands lease negotiations. Anything to add?

Rorie Watt: Yeah, and the conditions of the permit. So there'd be a conditional use permit. That said, I think it's a fair point.

You know, are we opening a can of worms? Potentially. A cruise ship dock is a big deal. In making that kind of decision, it's not one that you walk back from. So I do think it is really important for us to try and understand the impacts, positive and negative, seen or unforeseen, of deciding to build a cruise ship dock. I think it's a really complicated topic.

I think the writer of that question points at the idea of, can what the Visitor Industry Task Force imagined be achieved? Can we have our cake and eat it, too? Really, I mean I think that's kind of what the visitor Task Force concluded, you know, a dock under all these really important conditions, good question.

Yeah I agree. I think I'll add that this is, again, the first step in a long and complex process. Through this amendment process we wanted to create, and that's what the appendix is about, some context for the Planning Commission and other decision-makers when evaluating permits, to make sure that some of the goals of the Visitor Industry Task Force, and some of the amendment criteria within, or all of the goals with of the Visitor Industry Task Force, and all the amendment criteria within the Long Range Waterfront Plan are honored.

Alexandra Pierce: Community concerns from this process we're kind of addressed and brought forward.

You know, fair point and good question and, you know, I'm hopeful that we'll see that some of the positive community benefits from this process, should it move forward, are around the Coast Guard and NOAA facilities that we would be able to establish with that. They have aging dock infrastructure, and it would be it'd be great to see them have a better facility there, however it's designed and whatever that looks like in the future.

Next question, "Please reiterate the size of the ships, as a number of passengers that you specified earlier falls under the discussion we're having." This discussion falls under the definition we are using in this discussion. "Did I hear 500 or smaller?" Yes, that's the number that the Visitor Industry Task Force settled on was 500 or similar.

"What will be the cost to Juneau in this process? Have you figured in the cost of staff time and development costs?"

Rorie, you want to take that one?

Rorie Watt: Alex, I was confused by that last answer that you gave, and maybe we could clarify, because I was going back to read the question. So the writer asked about the size of ships, and it was unclear. The size of ships, where she was asking where you are answering. Okay, can you answer that more clearly because I'm a little worried on that question.

Alexandra Pierce: I talked earlier about the Visitor Industry Task Force's recommendation. "Larger cruise ships" was the term that we used, and they defined larger cruise ship as 500 passengers or larger.

A cost to Juneau for staff time, *et cetera*.

Rorie Watt: Okay, thank you.

So, cost to Juneau for staff time for this planning process. No, we haven't identified that, and we generally don't. We have lots of public processes and we don't get so fine grain. That said, Alex, the Tourism Manager's salary has been funded out of passenger fees, and this is one of many tasks that she's going to be working on. But, no, the answer would be, we don't really identify staff costs for public process.

Alexandra Pierce: I think they'd be similar to just, from my context as former planning manager, any large development proposal in terms of planning staff time, whether it's a big subdivision or something else.

Rorie Watt: I guess two things. When the applicant does submit an application to the community Development Department they'll be charged a fee for that consideration of that permit process, and if the facility is permitted they'd be charged a fee for building inspection, building permit, and all of that. What I was speaking to really was this kind of extra process, extra public process, extra assembly involvement, which we think is necessary for the community and the Assembly to have proper deliberation. You know most development projects just go straight to the Planning Commission and that's really where they get considered by the public. But in this case I think it's to the benefit of CBJ and its residents that we have extra complicated involved public process.

Alexandra Pierce: So, next question, "Please discuss the phone server results from the recent survey offered by the downtown Thane residents opinion on support of a cruise ship dock. The survey report

did breakdown support by neighborhood. I recall the results were 45% supportive and 43% opposed, very close.”

Yeah I think that's correct, I think that was about the neighborhood breakdown for downtown and Thane residents.

“I think your proposed language for the new proposed amendment uses the term large ship. What is the definition of a large ship? Would it include any ship of large size? The newest class of cruise ships can carry up to 800 passengers and crew.”

Our ships are getting bigger. I mentioned that we used 500 passengers and larger, we didn't talk about upper limits at all. I think that's a really good point, and it's something to consider and discuss in the future. The task force did not contemplate an upper limit on the size of ships, so much as they were trying to differentiate between the small ships, like the UnCruise style ships, and large ships, like a Norwegian Cruise Lines or Princess style ships. Right now we have infrastructure that supports the biggest ships that come here. I don't know that our current infrastructure could handle the ultra large ships. But that's something that we would need to look at further.

Michele Elfers: Just going to add that they're really good consideration. Moving forward, comment, because, you remember in one of the earlier slides, one of the factors to consider was limited by infrastructure and Alix just touched on that. That is a way that ship size can be limited, is by that actual dock that is built, because some docks can't handle larger ships.

Alexandra Pierce: So next question.

“What negotiating power does Juneau have by which to reduce the largest greenhouse gas producer, cruise ship propulsion, for which the southeast Alaska cruise ship industry is collectively responsible.

That most propulsive emissions happen outside CBJ are irrelevant, do you agree? Shall we explicitly include the greenhouse gas emissions danger within the Long Range Waterfront Plan, and how?”

This is important context. I don't know if this is the right place for it. It belongs somewhere.

Rorie Watt: I could tackle that.

What negotiating power does CBJ have with industry about their propulsion fuels - not a lot, quite honestly, I think we are one part of many. Changing fuel types really is a pretty big deal. So, honestly, I don't think we have a lot of negotiating power on that. The Visitor Industry Task Force did quite a bit of time, with the support from the municipal attorney, about constitutional limits on travel and issues like that. There's a lot of interesting documents on that. I think Mr. Palmer wrote a really good, readable memo and reference some other ones. We do have private docks in our community that are visited by private ships. A question about close it, imposing some fuel type requirement, I think, poses lots of really interesting legal questions.

Alexandra Pierce: I'm just jumping to a comment down below regarding the upper size limit. She said “8000 passengers and crew, Ms. Pierce, I heard you mentioned 800.”

Yes, of course, 8000. If I spoke out of turn it absolutely wasn't to minimize the number of passengers I apologize for that.

“Talk about the tide land block consolidation that shows our entire tidelands along the waterfront leased to Franklin Dock Enterprises. This was done with a consolidation of parcels done after NCL purchased the lot and started this process. Unprecedented, since other parcels have not been consolidated like this, especially with the lease existing and lease sought.” Rorie, I'm going to have to throw that one to you.

Rorie Watt: Sure, I think I understand the question. As I understand it, at the South Franklin Dock the owner initiated a process to lease additional municipal tidelands to accommodate construction of a potential floating birth improvement at that dock.

CBJ has various parcels in that area, and we lease tidelands to that dock owner through public process. It goes through the Assembly, goes through an appraisal process, managed by docks and harbors. So when they proposed,

Preliminarily, the new dock proposal and new tidelands lease, we apply to state DNR (*Alaska Department of Natural Resources*) to acquire state tidelands for economic purpose. DNR has agreed to convey some of the tide lands that we requested. Now, whether those municipal tidelands have been consolidated into a larger parcel I actually don't know it might make sense from a surveyor standpoint, or maybe even DNR standpoint, we can follow up on that. But those tidelands are always going to be held by the municipality, they have to be held by the local government, they can't be sold. So, whether they're consolidated I don't think it really matters, but if the writer of the question wants to follow up on that we can we can try and get back to them, but I don't think there's any import in a lot consolidation down there.

Alexandra Pierce: Next question, “Are there any other examples of long term plans being amended? Is amending a plan recommendations, such as this, part of the public process, or is it a unique occurrence?”

Throughout my time in the planning world I have seen plans amended from time to time. Our 1996 Parks and Recreation Master Plan was amended in, like, 2007, I think, with a new recommendations chapter. That's the first, and then we did a new Parks and Rec Master Plan in 2019, that's an example I can think of off the top of my head. But plans are amended, from time to time, typically plans that are a little bit on the older side are amended, often for reasons like this. Community priorities change, proposals that weren't contemplated during the planning process come forward.

A plan is generally good but a piece of it has proved problematic in using it. The CBJ one that leaps to mind is the previous Parks and Rec Master Plan. I'm sure there are others. I've definitely seen this pattern in other communities.

Rorie Watt: I would just say that when the CBJ adopts plans it's the Assembly that adopts plans as a statement of municipal policy, and it's the prerogative of the Assembly to update those plans. So seems to me like a really normal process. To look at a plan that was 18 years old, the world has changed a lot, it's totally normal and appropriate to consider updating our thinking.

Alexandra Pierce: So next question, “What happens if the Waterfront Plan amendment is not adopted?” The waterfront plan remains as it exists today. The applicant can still apply for a conditional use permit.

The Planning Commission reviews developments for conformity with adopted plans and would make a decision on the conditional use permit based on the information available, including what's in the current Long Range Waterfront Plan.

Next question, "I'd like to see this in the context of changes to U.S Coast Guard and NOAA facilities, *i.e.*, will there be a new seawalk along that section of waterfront? I'd also like to know how much coordination with the feds has been/will be done by CBJ as well as NCL."

Michele Elfers: I was going say I don't think we're far enough along.

In that, design in terms of changes to those docks, and this is really early stages, so I do believe there has been some discussions and.

The manager may be able to comment on that. But in terms of, what it would look like, I don't think we're far enough along. Regarding the sea walk along the waterfront, definitely, the goal of the sea walk is to extend the entire waterfront, but it's always been recognized that that specific spot with the Federal property, the seawalk might have to come up around it. So I think that's on the table, then we need to work it out, but the desire to have to seawalk on the waterfront if possible.

Rorie Watt: So I met with the two previous Coast Guard Admirals, talking about our community goals. Long, slow moving conversations. I believe the NCL group has met with the Coast Guard, kind of doing their due diligence, explaining the project. There's no negotiation or any deal-making that's happening on the city side, and you're really seeing the start of the public process. We've long articulated our desire for robust use of high value property at CBJ. The adjacent NOAA property is one that we're really interested in, just simply because it's dock is getting old and not being used. But there's not a deal, or a preliminary deal.

Alexandra Pierce: Next question is about the city endorsing the policies and actions of private cruise companies. Rorie, do you want to take this one?

Rorie Watt: Sure. We don't. The cruise ship companies are private companies. We negotiate around our community goals. We don't regulate interstate commerce or private commerce. That is a complex, complicated issue that's not really in our wheelhouse.

Alexandra Pierce: "Please briefly explain the differences between the CUP process that involves the Planning Commission versus the tidelands lease process that, I assume, stipulates conditions and involves the Assembly." So I'll start and maybe Rorie can pick up on the lease.

Both include conditions, so the conditional use permit process is a land use permit that is required for lots of different types of development. It's reviewed by the Planning Commission. The Planning Department will receive an application and it will analyze the application based on whether the application conforms with existing zoning, whether it conforms with things like traffic - there would have to be a traffic study associated with this, and infrastructure improvements. Lighting, noise, and security - there's a bunch of different categories of filters through which a development proposal is analyzed. I talked earlier about conformity with adopted plans, that's another section within the conditional use permits. These are the adopted planning documents that we have at our disposal within the community. Does this development conform with the Comprehensive Plan and our other adopted plans including, in this case, the Long Range Waterfront Plan?

Then the Community Development Department will recommend a number of conditions. They'll make findings based on their analysis of whether or not it conforms with the requirements for the conditional use permit, and with adopted plans, and then the recommend a list of conditions. Things like sidewalks, or traffic mitigation measures, or some of the things that the Visitor Industry Task Force recommended. Some of the items in the Long Range Waterfront Plan amendment criteria could become conditions. Then the Planning Commission evaluates that. The Planning Commission has the ability to approve or reject the permit on within the regulations, within the land use code. The Planning Commission verifies that the permit meets the requirements, and the Planning Commission can add its own conditions. That's a fairly major process for a development of this size, and the final approval for conditional use permit rests with the Planning Commission. Following that is the tidelands lease conversation, which happens at the Assembly level. Rather than following a set of right requirements stipulated by the CBJ land use code, that's where we have a bit more room to negotiate. Rorie, do you have anything to add on the lease piece? I'm not quite as familiar with that process.

Rorie Watt: It's a fairly normal activity for CBJ to lease city property. The taco food cart downtown is currently on a lease. We talked about the Franklin Dock leasing municipal tidelands. We seem to be, about every other month, leasing a little piece of property for cell towers or colocation of cell tower communication equipment.

So, what would happen is the Assembly could, after this permitting process unfolds, really decide it is in the public interest to lease municipal tidelands and, if so, with what kind of deal, what kind of condition. I would say it's the conditional use permit in the Planning Commission processes, this kind of quasi judicial process where the staff and the Commission looks at the code, and evaluates the proposal against the code, and makes the decision, whereas the land lease is just as a pure political decision of the Assembly. They can do it for any reason, or no reason. It's the kind of hard decision that you run for office to make.

Alexandra Pierce: So next question, "Are there any projections of revenue for local businesses, sales taxes and passenger fees for dock in this capacity?"

We don't have any hard projections. I will say I did a little preliminary analysis of the schedules for 2022 and 23. I looked at days that we had a ship at anchor. I looked at days where there was hot berthing on the schedule, and I looked at days where we had both. Making the assumptions that the days that we'd have a ship at anchor would stay the same, that days when there's hot berthing that ship would go to another dock. Days where there's both, one of those ships would have to come on another day. If we're at a five ship limit. Assuming a ship size of about 3000 passengers on average, if every single other day of the season had a ship at a new dock, we'd be looking at, so assuming that all of those passengers are already going to come here and they're all going to use a new dock, assuming that we'd be looking at about 200,000 more passengers per year. Multiplying that out in terms of the average sales tax, economic multiplier effects, marine passenger fees, I think you can get at a fairly good educated guess, but that's as far as my analysis has gone today.

Rorie Watt: The only thing I would add is that property tax would pay into it as well. Just kind of spit balling, cruise ship dock, ours, we got to for 65 million, so 35-40 million for a dock, and upland

improvements, maybe \$60 million facility, let's just say. And municipal property taxes around 1% so that'd be around \$600,000 of property tax.

The questions about sales tax and passenger fees, I think, really are linked to whether business shifts, the current business pattern shifts, and we stayed the same number, or whether there's an absolute increase in passenger visitation.

In that I think, also, I think there's a question about whether, if the business shifts. Is it more efficient or lucrative from a municipal standpoint? A lot of focus on hot berthing on Tuesdays, where two ships come in, one in the morning, one in the afternoon, and you have passengers here for a relatively short window, maybe 730 to 1pm in the afternoon, or you know 130 or 2pm until sometime at night, where they don't spend the whole day and maybe on average don't spend as much on tours or retail or food and beverage. I think a lot of speculating on the economic impacts.

Alexandra Pierce: So next question, "NCL is over \$12 billion in debt. Have they completed payment for the property? Is there any fear that they may not be able to complete their plans for building the dock?"

The transaction on the property had nothing to do with CBJ, so I don't know that they've completed payment. I assume they have. If they were not able to complete their plans for building the dock I think we'd love to take it off their hands, the property off their hands, for them.

Rorie Watt: My understanding is they completed the purchase. So we were, some of you may remember, CBJ was a bidder when the Mental Health Trust had the auction for the property. Relatively humorously, I proposed to the Mental Health Trust that they extend the payment terms. We had said, as municipality, we just can't move that fast. The Mental Health Trust made financing of the property available, and NCL took advantage of that, but my understanding is they completed that property purchase.

Alexandra Pierce: Last question, along similar lines, "The cruise industry finances can be considered pretty shaky now, and their debt burden continues to grow. Any deal made with NCL should be considered as a deal with any owner, which could be private equity firms looking to extract the money they can. What are the options for CBJ to defer any consideration of this until after the industry shakes out completely after the pandemic? Since the decision "yes" made is not reversible."

As we move through this process we're considering this as the development that is proposed.

Whether that developer is NCL or another company, a new owner, a different group, whatever, we have the same process and the same considerations. I think CBJ's role in this is to the Assembly's role in this is to very carefully consider and analyze the proposal that they have before them. We can do the best that we can to put the conditions in place to make sure that, if a development is approved, that it's a development that includes as many items that benefit the community as possible, and mitigates as many issues as possible, recognizing that there are positives and negatives to any development of the size. As far as deferring until after the pandemic, I think we have this proposal before us now, and we need to consider it in a somewhat timely manner. Anybody have anything to add?

Rorie Watt: I guess the only thing I'll add is, the Assembly could choose, not at this time, on the tidelands lease, but we're working on an Assembly goal of implementing the Visitor Industry Task Force

and we're processing the permit application by private developer. We're on that timeline for good reason, we can't we can't just sit on the Assembly goal. Assuming the Assembly agrees to update the water from plan similar way, we couldn't sit on a valid permit application.

Alexandra Pierce: Next question, "One more question, thanks for answering my others," No problem, that's why we're here, "Where is CBJ in the process of applying for a transfer state tidelands involved in the NCL proposal to CBJ?" Rorie, you want to take that one?

Rorie Watt: I think I know that. I saw we have somebody from DNR on the line, they might know it better. Our Port Director Carl Uchitel began communicating to DNR knowing that transfer of state tidelands takes a really long time. In the fall, I think I asked him, I said, "hold off," because that's kind of cart in front of the horse. We have all these things that we're trying to move kind of concurrently. I believe the Port Director has started the communication and started to assemble information, but I do not believe that we have applied for those titles. But that's the kind of thing that will probably need to explain to the Assembly as well. We've got all these concurrent processes and none of them can really get in front of the other, it can be a little tricky.

Alexandra Pierce: So, very messy critical path in this process. "Does CBJ have the legal authority to stop hot berthing at all of the private docks if we have the fifth dock?"

Short answer, we don't have the legal authority. We do have, and we are in the process of negotiating a memorandum of agreement with CLIA. This year's MOS is about some of the simpler topics. Hot birthing is a future MOA topic that that we want to include. I don't really know the legal answer to that question about whether or not we could establish an ordinance that eliminates hot birthing as anything more than like a clear, loud message.

Rorie Watt: Yeah, I would go back to city attorney's memos to the VITF on constitutional right to travel. I think it's complicated, and I think it's kind of hot berthing is, I think, better or best achieved through negotiation. We certainly have been letting the cruise industry know that, that's a touch point with the community.

Alexandra Pierce: "So if we don't have the authority than any promise that there are not be hot berthing at the NCL dock is reliant on the industry decision?"

Rorie Watt: I'm going to give you a lifeline.

This is a little bit similar to earlier question about, can we legally ensure that something doesn't change in the future? It's a little tricky, so I think, maybe, maybe through type land lease process, which essentially is a contractual agreement, that might be the vehicle for something like that. Maybe through the conditional use permitting process, that might also be a vehicle for it. Good question, I think it kind of gets back to some of my opening comments about, we know this is potentially opening a can of worms or playing with fire, it's a good question. I think it's really good to flush out what people think unintended consequences or forks in the road might be.

Alexandra Pierce: To pick up on that, I know we have those options at our disposal for this dock. When I talk about negotiations and MOAs, we have two private docks in Juneau that we don't have those kinds of conditions at. That's where those types of agreements (*unintelligible*).

I will say you know there's local industry push back against hot berthing thing as well, is something that this community feels pretty strongly about, people on all sides of this issue. It's a big thing for us to work on.

“How can CBJ ensure citizens that NCL won't unduly influence the public process with their unlimited resources for lawyers, lobbyists and campaign donations?”

Rorie Watt: I'll be happy to grab that one too, Alix. Well, we have a municipal law on conflicts of interest. Municipal officials, including the Assembly, can't accept any benefit from a private party. It's against the law. I think it makes sense for a private company to work the angles, and hire good architects and engineers, and make sophisticated proposals, and hire consultants who can advise them on the public process. I think it's normal that they're doing that. I think the public also plays an important role in weighing the merits of the proposal. I think we have 50 people at the meeting tonight, which is great sign of an engaged community, lot of smart people in Juneau, and a lot of people asking questions that we could not answer perfectly tonight. That's really good. I think critical analysis and critical thinking of a big community decision is a very healthy thing for us to engage in.

Alexandra Pierce: I think we're also, taking this proposal very seriously, and we're not treating this development as a foregone conclusion. This is a process like any other development proposal process that we see. This is the first step in the process. You know I think if we had some developer who wanted to do a major subdivision, and they needed to do, say, a comprehensive plan map amendment, and then a rezone, and then their conditional use permit for their subdivision. We'd be going through a similar process. We'd be holding public meetings and we'd be following the steps, which is kind of our responsibility as government employees. Our job is to listen to, and kind of balance, the needs of the community. We're trying our very best to do that in this context, so we have a proposal that will be before the Assembly in the next couple months or the next month or so. On this first step, and will continue to follow the steps in the process as they as applications are submitted and the process moves forward.

“The Assembly has accepted the VITF recommendations, they have not adopted them to the best of my memory. Has the Assembly specifically adopted the recommendation for amending the waterfront plan? If so, on what date, please?”

At the Committee of the Whole back in, I believe it was July, Michelle and I presented to the Committee of the Whole on the process for tourism management moving forward. We talked about the survey, we talked about amending the long range, what are the long range waterfront plan amendment process, and we were given direction by the Assembly to proceed with both. We're following that recommendation at this point. The Assembly, within its goals, adopted and implement strategies developed by the Visitor Industry Task Force. We're moving forward, based on the Assembly goals as well.

“I have a follow up to the hot berthing question. Without legality, can the CBJ make the condition of no hot berthing at the docks 2024 as a part of the tidelands lease agreement? It does seem like the city is in a powerful position to add a valuable asset and set clear guidelines as a prioritized win for the community.”

I think that's entirely possible with this dock and this cruise line. I'm not sure that we could, within the lease negotiations, say get them to answer for other cruise lines, though recognizing that this is the only cruise line that currently has hot berths.

Rorie Watt: Okay, I have to take that one. Well, just laughing. CBJ has shown, in the past, the ability to robustly stand up to the cruise industry. I was in Federal Court for three years of litigation, to the admiration of a lot of people. So I object to the idea that we're not going to stand up to the cruise ship industry and assert our municipal ideas and needs. So anyway, I just had to take that one.

Alexandra Pierce: "At the retreat they acknowledged that they have yet to adopt, that should be a first process, with public comment. " Okay. Comment received, thanks.

"We can't stop growth of the cruise industry through CBJ ordinances. We are overrun right now, and I thought for years that we were completely over capacity for health and safety reasons, as well as relating to our quality of life. It's sad that we have to negotiate with the industry to stop hot berthing, let alone limit growth, there has to be a way to limit the growth."

I agree. That's what we're trying to get at through the Visitor Industry Task Force recommendations. I think we had an opinion from the City Attorney saying that where we, the City and Borough of Juneau, is capping visitation at 1 million visitors a year, or whatever number we want to create, is legally questionable at best, and pretty logistically challenging as well. We need to consider these other measures for creating limits, and that's what we're doing now.

This has been a really great discussion tonight, people have had great questions.

"Is there a chance that the Coast Guard would have a problem, and if they did, would be able to prevent ships from talking so close to their facilities?"

To date, they haven't expressed a problem. I think they're in negotiations with NCL about what a dock for them could look like. I suppose that's possible.

Rorie Watt: I was thinking back during the visitor Task Force, we had Captain White with the Coast Guard, captain of the port, really talking about the Coast Guard's philosophy. Their general philosophy is to figure out how maritime vessels can safely navigate. So it's a lean to helping vessels safely navigate. That's one side of the question. So I think they're disposed to figure out solutions. The other side of that question is the Coast Guard dock is a secure federal facility, all be it somewhat lightly used, so there might be decisions by the Coast Guard of incompatibility of one type or another. I don't know, interesting question.

Alexandra Pierce: To answer the question I believe the applicant has engaged with the Pilots' Association and Marine Exchange pretty extensively.

Rorie Watt: Maybe, Alex, read the question.

Alexandra Pierce: Oh, sorry, the last question was, "Have you reached out to the Southeast Alaska Pilots' Association about whether a dock in that location would be safe or feasible?"

So again, I really want to thank everybody for coming tonight. I think it's been a great discussion. I've really appreciated the questions and answers. I've learned a lot about where people are at with

community questions and concerns, and again I really encourage people to submit comments and to go on the website juneau.org/tourism to read the proposed amendment.

Send comments to me at Alexandra.Pierce@juneau.org

Thanks and, with that, have a great night, stay dry, stay safe, protect your own property and we really appreciate your engagement in this process. Your comments really mean a lot to us all.

Rorie Watt: Thank you all.