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TO: City and Borough of Juneau Assembly  
FROM: Katie Koester, City Manager  
DATE: January 7, 2026  
RE: Buyout Program for Properties on View Drive

### **Background**

At the October 30<sup>th</sup> Committee of the Whole (COW), the body heard a presentation from Brett Nelson of the Natural Resources Conservation Service's (NRCS) on the EPW buyout program for the properties on View Drive that cannot be protected as part of the HESCO barrier project. To summarize, the project consists of buying 18 homes on View Drive, demolishing those homes and turning the land into a park and in perpetuity at an estimated cost of \$25M. Not all properties need to participate, however there is the possibility that if only a few non-congruent properties participate, or the properties least at risk are the only ones that participate, the project would not move forward. The program is voluntary.

At the October 30<sup>th</sup> COW, Mr. Nelson confirmed that there is federal funding set aside for the project. However, CBJ would need to act quickly to guarantee our place in line. He also confirmed that the 25% cost share did not necessarily need to be CBJ taxpayer revenue, however it does need to be non-federal. The COW made a motion to request a waiver for the required cost share, which was promptly submitted by CBJ. This waiver was denied. CBJ notified View Drive residents of the denial on December 12, 2025, and let them know the Assembly Finance Committee would be taking up the topic on January 7, 2026.

### **Next Steps**

The purpose of today's meeting is for the Assembly to decide if CBJ wants to participate in the program and at what cost to CBJ taxpayers. The next step is finalizing and signing a project agreement. The agreement is non-binding; however, execution of the agreement should reflect a clear intent to proceed with the project. Not going through with the project will jeopardize our ability to access NRCS programs in the future. There is a substantial staff effort required to participate - 75% of the funding for the project is federal but all the work to apply for and carry out the project is the responsibility of CBJ. Furthermore, CBJ is responsible for any unforeseen costs that come in above the amount in the project agreement.

One alternative could be to ask View Drive residents via certified mail about their interest in contributing the pro-rata 25% cost share for their property. Keep in mind this amount is not 25% of the value of their home; the total project cost includes demolition and restoration. Only three residents have proactively communicated with CBJ that they are interested in the program (though the question has not been asked if they would be interested in financially participating). It is worth noting that the chosen enduring solution, a lake tap, will effectively mitigate for the View Drive properties. However, best case scenario for that project is 6 years from completion and has substantial hurdles, not the least of which is funding, with the total project cost at just shy of \$1B. For context, CBJ contributed \$10,000 per parcel as part of the HESCO barrier phase 1 LID.

**Recommendation:**

1. Decide if CBJ wants to participate in the program. If yes;
2. Choose an amount the Assembly is comfortable contributing;
3. Formally communicate that with View Drive residents to gauge interest in program.