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By Elizabeth Jenkins | May 4, 2016 | Economy , Juneau , Local Government , Southeast , Tourism



Tourists walk toward the cruise ship *Radiance of the Seas*, docked at Juneau's waterfront. (Photo by Ed Schoenfeld/CoastAlaska News)

Cruise Lines International [hit Juneau with a lawsuit](#) last month, alleging that the city misused marine passenger fees. Now the city has come up with a way to pay for legal counsel: marine passenger fees.

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Mila Cosgrove, deputy city manager, said \$50,000 is being transferred over

“They’re coming out of the waterfront acquisition fund and the majority of the money in that fund are marine passenger fees or have come through that source,” Cosgrove said.

The city has its own legal team but Cosgrove said it doesn’t have the capacity to defend the case.

An estimated \$8 million comes into Juneau every year through marine passenger fees. That money is supposed to be used to benefit cruise ships and passengers. The filing asks the court to permanently stop “the assessment, collection and improper use” of the fees.

And it argues a park being built — about a mile from the port — is a misuse of the funds.

But Cosgrove said [a recent legislative audit](#) of the state marine passenger fees found the city to be in the clear.

“Regarding the fees for legal defense, again, because it’s directly related to how those funds are used, we thought it was an appropriate expenditure of funds,” Cosgrove said.

Hoffman and Blasco are defending the city with another law firm, Latham & Watkins. A Cruise Line International rep could not be reached for comment.



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