

CHAPTER 4. ECONOMIC DEVELOPMENT

Downtown Juneau has been the economic heart of our community, and promoting economic development is one of the primary goals of this Area Plan. Economic development in Downtown Juneau benefits the entire borough, in both community vitality and a healthy economy. The Blueprint Downtown planning area contributes X % of the borough wide property tax revenue and X % of the borough wide sales tax revenue.

What does the vision report identify and recommend?

The vision developed through the visioning process for Business Vitality captures the community sentiment as follows “Private and public investment downtown should focus on improving Juneau as a year-round commercial center for residents and visitors alike. Increased investment in and by locally-focused businesses will be self-reinforcing, creating greater vitality. Growth should emphasize authenticity, highlighting Juneau’s setting, history, culture and scale. Explore incentives or programs to reward businesses that are open year round. “

Capital City Vision Project -1997

“Imagine for a moment, what Juneau, our Capital City, will be in the year 2020.....Economic Vitality of Downtown Juneau. The downtown business community provides a range of basic goods and services, restaurants, entertainment and lodging, which are appreciated by residents and visitors alike. Business owners take pride in their friendly service, and work hard to maintain the aesthetic beauty and unique historic character of Downtown. A diverse economy based on a partnership between government and private industry provides ample economic opportunities.”

Relevant Plans – Summaries useful for context now but move detailed descriptions to an appendix of all plans in final plan document. (Table to be provided later)

Numerous plans and studies from the past 20 years cite specific recommendations related to economic development.

Key plans and studies that are referenced in this chapter are:

- **2013 Comprehensive Plan**
As the overarching planning document for the future development for the Borough, the Comprehensive Plan includes a number of economic policies, development guidelines, and implementing actions. Most relate to Borough-wide recommendations but many are specific to the Downtown area.
- **2015 Juneau Economic Development Plan**
This is a borough-wide plan that developed eight “initiatives” to foster Juneau’s economic growth. All eight of the initiatives touch Blueprint Downtown in some way, but two in particular focus on Downtown – “Revitalize Downtown” and “Protect and Enhance Juneau’s Role as Capital City”.
- **2016 Housing Action Plan**
This is a borough-wide plan focused housing. The plan recommends nine primary solutions, with potential implementation steps needed to successfully achieve the recommendation. Adequate housing, affordable to Juneau’s entire income array, is imperative to Juneau’s economic success. All of the potential solutions affect Blueprint Downtown, but one is specific to Downtown – “Develop a Downtown strategy that has explicit housing elements”.
- **1997 Capital City Vision Project**
The Project’s purpose was to develop a vision for the future of downtown if a variety of physical and managerial improvements were made to improve and enhance Juneau’s ability to serve as the capital city of Alaska. It was intended to bring together a myriad of ideas, plans, studies and reports for downtown’s future – much like Blueprint. Most of the information gathered through this effort is re-affirmed in the visioning that was done for Blueprint. The plan makes some broad recommendations for implementation. This plan was not adopted.
- **2002 Tourism Management Plan**
While the Plan itself was never adopted, Resolution 2170 adopts 17 key policies from the planning process. All the policies touch downtown in some way; however, several stand out as downtown specific: Waterfront Revitalization, Traffic and Pedestrian Movement Through Downtown, and Fixed-Wing Flightseeing. Waterfront Revitalization has been addressed

through the 2004 Juneau Waterfront Plan and its ongoing implementation, and Fixed Wing Flightseeing was partially addressed through a revolving loan program to assist Wings of Alaska in retrofitting aircraft with quieter engines.

- 2012 Willoughby Plan

This is an area specific plan for the area now called “Aak’w Kwaan Village District”. The Willoughby District Land Use Plan was developed by building upon direction found in other CBJ plans and following a process that included an inventory of current land uses and building conditions, traffic patterns and pedestrian facilities, employee numbers, existing parking spaces, community destinations, current CBJ Comprehensive Plan policies and zoning standards, and the District’s assets and challenges. The plan identifies the district as “the heart of Juneau’s Civic, Arts and Cultural campus”. The overall emphasis for the district is on mixed-use development with a blend of market rate and affordable housing. The plan recommends design principles, development themes and development considerations. Only Chapter 5, Willoughby District Land Use Plan, has been adopted as an element of the Comprehensive Plan (ordinance ##). This chapter recommends design principles, building heights, viewsheds, and a connected street grid.

Downtown Employment (more text to come)

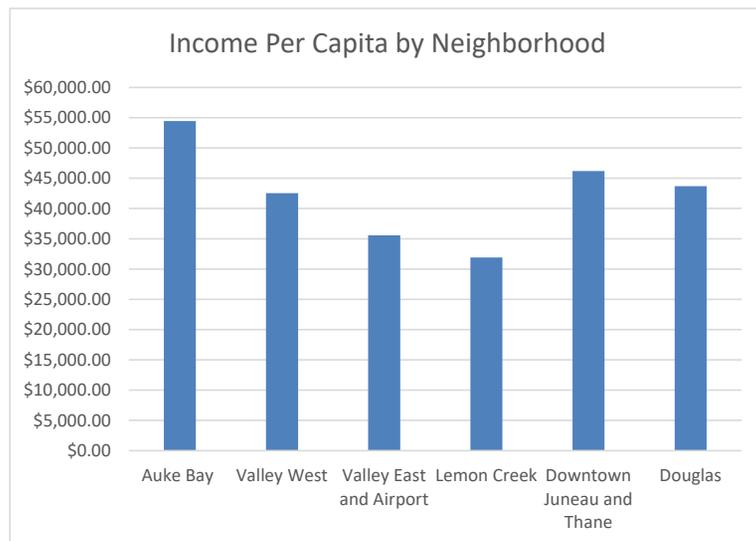
Top employment industries in downtown. See spreadsheet. Source is American Community Survey 5-year estimate.

Top Employment Sectors for Downtown Residents

- Management, business, science, and arts occupations
- Local, state, and federal government workers:
- Employee of private company workers:
- Local, state, and federal government workers: - Management, business, science, and arts occupations

Management, business, science, and arts occupations	Local, state, and federal government workers:	Employee of private company workers:	Local, state, and federal government workers: - Managem...	Sales and office occupations
				Service occupations

Per capita income downtown compared to other neighborhoods. Source is American Community Survey 5-year estimate.



Downtown Housing (Existing and new)

Housing contributes to the overall health of Downtown and supports business activity by enlivening the streets at all hours. In XXXX, Downtown included approximately XXXX dwelling units, with a population of about XXXX.

One of the strongest messages from the 2015 Economic Development plan was the clear connection between Juneau’s economic success and an adequate supply of housing. The Housing Action Plan reaffirms this nexus. The plan also recommends creating stronger partnerships between government, non-profit and for-profit

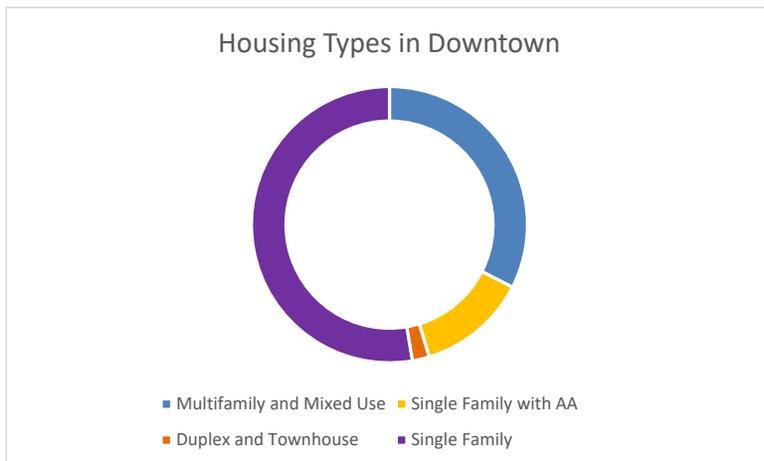
“....the implementation of good housing policies for Juneau is economic development policy just as much as the continued failure to sufficiently address housing availability and affordability undermines Juneau’s economic potential.”

2016 Housing Action Plan

developers and the development of incentives to spur housing development. This plan also states that Downtown could be a much more vibrant, exciting place if more people lived here. The plan highlights the importance of using available land more efficiently, and that rehabilitating historic properties as a way to revitalize downtown and provide more housing.

Housing and Neighborhoods is one of the nine focus areas of the Visioning Report. The vision statement “Increased housing in the downtown core is a cornerstone of increased downtown vitality, across all sectors. Increased housing will provide more business customers, better ability to attract workers, and greater street activity. New housing will include lower-income and seasonal housing, as well as improved high-end housing opportunities. The CBJ should pursue incentives that focus on rehabilitating underutilized existing buildings and empty lots to provide more housing stock, focused on a variety of income levels.”

Housing diversity is key to accommodating a wide variety of people interested in living Downtown and housing development is a fundamental opportunity for revitalizing downtown. There are opportunities for higher density residential development, mixed-use development, infill development and redevelopment. National trends show an increasing demand for “urban” living. Additionally, Juneau’s unique housing needs, seasonal housing for legislative session and tourist season, imply a desire (need?) (requirement?) for housing that will facilitate carless living.



Downtown housing accommodates an increasing and diverse residential population.

Encourage development of a wide range of housing types that are affordable to all incomes and abilities.

Capital Facilities (City/State/Fed)

Capital facilities typically include water, sewer, stormwater systems, streets, parks, and government buildings. Some of these facilities are covered in other sections of the Plan. (more to come)

Public Utilities

Public utilities Downtown include water, sewer and stormwater systems. Plans recent or planned improvements? (more to come)

Public Buildings (*show as a map/graphic*)

The City owns or rents space in a number of buildings in the study area, including:

- City Hall - Owned
- Centennial Hall- Owned
- The JACC (former Coastguard Armory) – Owned but leased Juneau Arts and Humanities Council
- CBJ Museum (Veteran’s Memorial Building) - Owned
- Juneau-Douglas Wastewater Treatment Plant - Owned
- Port of Juneau Building - Owned
- Downtown Transit Center - Owned
- Downtown Library – Owned
- Downtown Fire Hall
- Marine View Building – ~2 floors leased
- Municipal Way Building – leased
- Sealaska Building – part of 1 floor leased

- Etc.

The State of Alaska also has a number of facilities in the area, including:

- State Office Building
- Capitol Building
- Dimond Courthouse
- Alaska Office Building
- Terry Miller Building
- Behrends House
- Community Building
- Court Plaza Building
- Facilities Center
- Permanent Fund Building
- Goldstein Building - ~ leased
- Etc.

The Federal Government has...

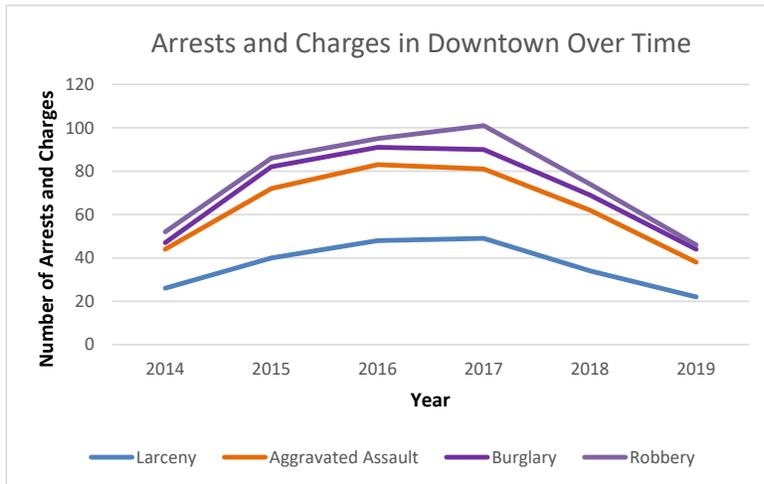
- Hurff A. Saunders Federal Building
- Coastguard Station
- NOAA facility
- Etc.

A Safe and Welcoming Downtown

Vision: Public safety and downtown vitality will improve hand in hand. The CBJ should continue to emphasize on-street neighborhood policing. This step, along with increased housing for the homeless, housing opportunities, and year-round uses, will improve real and perceived public safety, increase community pride, contribute to our community's health and wellness, and enhance economic opportunity.

To capitalize on the many cultural and entertainment options available Downtown, people must feel safe and comfortable. The cleanliness, comfort, and safety of Downtown are key to attracting residential, business and tourism investment. Additionally, accessible tourist resources are essential to a positive visitor experience, and influence the likelihood of a future visit or positive recommendation. The perception of safety can have an impact on the economic health and utilization of Downtown.

The City and its partners in mental health, homelessness, low-income housing, and other human services continue to work together to address broad societal issues that tend to manifest in an urban environment. Funding and construction of “Housing First”, a facility dedicated to housing the chronically homeless, is the single largest effort to this end. Following the completion of Phase 1, Bartlett Hospital and JPD have seen reduction in service expenses for this population. Phase 2 is currently under construction. The Glory Hall, a homeless shelter, is actively working to find a new location outside of downtown. Additionally, in 2019 CBJ Capital City Fire and Rescue (CCFR) took over management of the CBJ Sleep-off Center and the CARES Program from Bartlett, which connects people to services and reduces dependence on emergency services downtown and throughout the borough. The Sleep-off Center is located in the St. Vincent de Paul complex. In 2017 and 2018, the CBJ operated a cold weather emergency shelter in the old public safety building on Willoughby Avenue near Centennial Hall. In 2019, the building was demolished and St. Vincent de Paul took over management of the cold weather shelter, which is housed in their complex on Teal Street near the Nugget Mall.



Data shows that crime in the downtown area is trending down. Even so, perceptions have not. (Map for this data and BPDT boundaries will be provided similar but not quite the same.)

Public comment received during the visioning phase indicates that there is a strong public perception that downtown is negatively affected by homelessness and undesirable behaviors, despite positive trends in vagrancy and behavior issues. A challenge to both public safety, and the perception of public safety, is that those being housed by Housing First may not be the population responsible for on-going concerns. Opioid addiction and all the issues that occur with it is of growing concern. Additionally, officers who work downtown have reported that there is more opportunity for misconduct during the winter months, when more retail shops are closed and there is generally less activity downtown.

Add from the Health & Human services focus group -

Discuss how to strengthen partnerships with local business networks, human service providers, and mental health

Discuss what ingredients make downtown is a safe and welcoming place for all ages and walks of life.

CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

Juneau Police Department also helps contribute to the sense of safety Downtown by offering free services such as consultation to property and business owners on **Crime Prevention through Environmental Design (CPTED)** techniques. The goal of CPTED is to prevent crime by designing a physical environment that positively influences human behavior. The proper design and effective use of the built environment can lead to a decrease in crime and fear of crime, and can improve quality of life. Principles of CPTED include:

- Continue to maintain a clean, attractive Downtown streetscape that includes hanging flower baskets, landscaped flowerbeds, street trees, and potted plants.
- Encourage property owners to activate dead spaces and blank walls by adding exterior windows, removing tinting from windows, and improving the space in front of their buildings using Placemaking and Crime Prevention through Environmental Design (CPTED) tactics.
- Partner with Downtown business owners, property owners and organizations to provide services to maintain and improve the cleanliness and environmental health of Downtown.
- Support initiatives to create a Downtown Business Improvement District to fund projects and provide services such as cleaning streets, providing security, making capital improvements and marketing the area.

These actions could be coordinated through the implementation of a Main Street program.

Capital city

Juneau as Alaska's Capital City is a source of pride, large part of the community's identity, and a unique asset. It is the most significant source of economic activity. Juneau's status as the state capital also brings a companion presence of the Federal government. Juneau's high concentration of state, federal, and local government activities, such as the (list to come) contribute to the visibility and overall vitality of Downtown and the city as a whole.

Add data –state employees; total wages; percent of whole; trends in number of state employees in Juneau

One of the eight initiatives of the 2015 Economic Development Plan is “Protect and Enhance Juneau’s Role as Capital City”. This plan identifies potential threats and opportunities to the initiative – Capital move, Legislature move, Capital creep, replacement of retiring state workers, and declining state revenues. Surveys done for that planning effort indicate strong community support for preserving Juneau as the state Capital. This plan recommends a list of action items to achieve the goal of maintaining Juneau as the Capital.

At one time CBJ plans advocated for developing a Capital Complex. CBJ future land use maps feature “future capitol site” located on Telephone Hill. With recent renovations to the existing Capitol Building, a new Capitol Complex is unlikely in the recent future. However, CBJ should continue to support efforts to retain state services in Juneau and improve facilities that support Juneau’s role as the Capitol City. Each year the State Office of Management and Budget values the cost of moving the Capitol, (insert most recent figure).

Business vitality...to be continued

Discussion of how business types in the study area have changed over time.

Main Street

In 2016, the Juneau Downtown Business Association contracted with the National Main Street Center to visit Juneau. This visit included, among other activities, a community visioning session and a workshop for businesses. The Technical Assistance Visit Report (Appendix XX) identifies Assets, Challenges, Opportunities and Priorities. The report also includes recommendations for next steps, a conceptual budget and opportunities for funding. In 2019, Juneau became Alaska’s first accredited Main Street Program.

MAIN STREET FOUR-POINT APPROACH®

The Main Street Four-Point Approach® is a unique preservation-based economic development tool that enables communities to revitalize downtown and neighborhood business districts by leveraging local assets - from historic, cultural, and architectural resources to local enterprises and community pride. It is a comprehensive strategy that addresses the variety of issues and problems that challenge traditional commercial districts.

Commented [AP1]: Follow with something about CBJ encouraging the state to spend that money more appropriately? I’m not sure where you would find the figure for the OMB valuation, but I have someone I can ask, probably not before the next meeting.

Commented [AP2]: Should we move this forward in the chapter? We mention Main Street in the public safety section and it may be an opportunity to weave the concept throughout, business vitality too.

Since its founding in 1980, Main Street has been the leader of a coast-to-coast network now encompassing more than 2,000 programs and leaders who use the Main Street Approach® to rebuild the places and enterprises that create sustainable, vibrant communities. This approach has been implemented in over 1,200 cities and towns in 40 states across the nation with the help of the National Main Street Center and statewide downtown revitalization programs.

The success of the Main Street Approach® is based on its comprehensive nature. By carefully integrating four points into a practical downtown management strategy, a local Main Street program will produce fundamental changes in a community's economic base. The four points and eight guiding principles of the Main Street approach work together to build a sustainable and complete community revitalization effort.



Organization involves building a Main Street framework that is well represented by business and property owners, bankers, citizens, historic preservationists, entrepreneurs, public officials, chambers of commerce, and other local economic development

organizations. Everyone must work together to renew downtown. A strong organization provides the structure and stability to build and maintain a long-term effort. It allows the Main Street revitalization program to provide effective, on-going management and advocacy for the area.

Promotion creates excitement and vibrancy downtown. Street festivals, cultural traditions parades, retail events, and image development campaigns are some of the ways Main Street provides education on what is downtown and encourages customer traffic. Promotion involves marketing an enticing image to shoppers, investors, and visitors and communicates the specialness of Downtown. Local businesses can market cooperatively.

Design enhances the look and feel of the commercial district. Historic building rehabilitation and adaptive reuse, street and sidewalk clean-up, landscaping, public art, street furniture, signage, visual merchandising and lighting all improve the image of the downtown as a quality place to shop, work, walk, invest in, and live. Design improvements result in a reinvestment of public and private dollars to downtown.

Economic Vitality involves analyzing current market forces to develop long-term solutions. Recruiting new businesses, creatively converting unused space for new uses, and sharpening the competitiveness of Main Street's traditional merchants are examples of economic vitality activities. Supporting downtown housing is a key element of building Economic Vitality.

The Eight Guiding Principles (maybe graphic?)

- **Comprehensive.** A single project cannot revitalize a downtown or commercial neighborhood. An ongoing series of initiatives is vital to build community support and create lasting progress.
- **Incremental.** Small projects make a big difference. They demonstrate that “things are happening” on Main Street and refine, the skills and confidence the program will need to tackle more complex projects.
- **Self-Help.** Only local leadership can breed long-term success by fostering and demonstrating community involvement and commitment to the revitalization effort.
- **Public/Private Partnership.** Every local Main Street program needs the support and expertise of both the public and private sectors. For an effective partnership, each must recognize the strengths and weaknesses of the other.
- **Identifying and Capitalizing on Existing Assets.** Unique offerings and local assets provide the solid foundation for a successful Main Street initiative.

- **Quality.** From storefront design to promotional campaigns to special events, quality must be instilled in the organization.
- **Change.** Changing community attitudes and habits is essential to bring about a commercial district renaissance. A carefully planned Main Street program will help shift public perceptions and practices to support and sustain the revitalization process.
- **Action Oriented.** Frequent visible changes in the look and activities of the commercial district will reinforce the perception of positive change. Small, but dramatic, improvements early in the process will remind the community that the revitalization effort is underway

Main Street is a flexible program that can take many forms. As a part of the organization, Juneau can take advantage of the practical advice and assistance available. The technical visit report states having a Downtown Coordinator is the most important tool needed for Juneau to be successful in implementing a downtown revitalization. The 2013 Comprehensive Plan and the 2015 Economic Development Plan recommend this as well. Successful downtown development requires a person to coordinate activities and improvements. Many Main Street communities have an organization, often a 501c 3 Nonprofit, funded by methods such as, but not limited to, grants, special taxation districts, such as a Business Improvement District (BID) and donations. Some of these Main Street programs manage street clean ups, safety officers, programing, and façade improvements. Main Street is also discussed in Chapter 3. The Main Street American program is a preservation-based economic development strategy that operates out of the National Trust for Historic Preservation. Technical assistance offered by the program focuses on communities who are looking to revitalize older and historic commercial districts.

AJ mine

There have been efforts to re-establish the AJ Mine but they have not been successful. Several tours based on Juneau’s mining history or the mine itself contribute to the visitor experience.

Fill this section with content of final report from Assembly AJ Mine Advisory Committee. Good information on the concept of reopening the AJ is in the 2011 AJ Mine Advisory Committee Final report. The report includes discussion of pros and cons, along with factual information on relevant considerations (drainage, water supply, current mine design, potential time line for activation of mine).

http://www.juneau.org/engineering/AJ_MINE/

Comp Plan - 5.13 – IA2 Develop a five-year Action Plan for the sustainable development or long-term maintenance of the CBJ's AJ mine property. The plan should address potential economic, environmental, and social impacts of the City's AJ mine property with or without development and describe actions the City should take to accomplish either objective.

Metrics

- Number of housing units in -downtown by area by type, tenure and prices
- Dollars of new investment activity in downtown
- Number of people living in downtown
- Retail sales activity in downtown
- Number of blighted properties in downtown
- Increased property value and related taxes in downtown following new construction, redevelopment or rehabilitation
- Number of businesses in area – *recommended in Economic Development Plan*
- Number of vacant properties in area – *recommended in Economic Development Plan*
- Dollar property tax revenue from area – *recommended in Economic Development Plan*
- Dollar sales tax revenue from area – *recommended in Economic Development Plan*

Actions

- Create a downtown improvement district as with a revenue stream to fund activities, upgrades, and other incentive for people to live and shop downtown
- Seek and assemble resources, including housing fund resources, to coordinate restoration for housing above the retail level within historic buildings.
- Develop historic preservation opportunities,
- Consider inclusionary zoning requirements for tourism related businesses to ensure new business contribute to the housing needs for their workers
- Tax abatement for new value added in downtown for a period of time to incentivize redevelopment (state law allow????)
- Preferential business loans that require the business to operate in the downtown?
- Other incentives for rehabilitation?

- Incentives for shared parking – may move to parking chapter
- Marketing downtown amenities to employers
- Tax Increment financing to reduce development cost
- Examine what road blocks to public/private partnerships – *joint developments of housing/mixed use parking structures/land leases*
- Support for Main Street initiative
- Create an incentive for year round business
- Provide incentives to encourage downtown residential development. Mixed use development??
- Explore Multi-family Tax Exemption incentive as a benefit for both market-rate and affordable housing.
-