



MEMORANDUM

DATE: April 27, 2020

TO: Visitor Industry Task Force

FROM: Staff

SUBJECT: DRAFT Taskforce Recommendations

Note to the Visitor Industry Task Force

These Draft Recommendations are based on the Task Force discussions and written comments received. The goal of this draft is to encompass the key points that the Visitor Industry Task Force (VITF) may wish to forward to the CBJ Assembly.

Visitor Industry Task Force

The Visitor Industry Taskforce held a number of public meetings between October of 2019 and February of 2020 to advise the CBJ Assembly and advance community thinking on a range of visitor industry topics.

The VITF took public testimony on January 11, 2020 and February 1, 2020 and received 43 spoken comments and 156 written comments. The testimony reflected a diverse range of viewpoints in the community and generally provided nuanced views of the benefits and impacts of tourism.

The relationship between CBJ and the visitor industry has evolved over the past two decades. Through investments in infrastructure, management tools, and in programs like Tourism Best Management Practices (TBMP), Juneau has effectively managed tourism growth. While CBJ and the visitor industry should be proud of the success of their efforts, we have reached a point where we need to work together to develop proactive tools and strategies for tourism management over the coming years.

The VITF recognizes the work done by the community and CBJ in early 2000's that resulted in the Tourism Management Plan and the subsequent Resolution 2170. Many of the findings and recommendations in the report are still applicable today and should be considered along with this report. The vision established in the Resolution continues to guide the efforts of this committee and should guide future policy decisions:

CBJ seeks a healthy and vibrant tourism sector generating business opportunities and employment for Juneau citizens, protecting Juneau's heritage and cultural values and its natural resources, and making a positive contribution to the community's quality of life.

The VITF met during the winter and spring of 2019 and 2020 in anticipation of establishing some short-term actions for the 2020 cruise season. The task force had nearly completed its report when industry impacts and public health mandates related to COVID-19 derailed the process. This submission represents the VITF's work to date. The group may reconvene in fall of 2020 or later to discuss changes to the industry and planning for the 2021 cruise season.

Visitor Industry Task Force Report To the City & Borough of Juneau Assembly March 2020

1. Mayor's charge: Regarding Management of the Visitor Industry

1a) Is the current approach to managing the visitor industry adequate to make Juneau an attractive place to live and visit?

Since 1988, CBJ has managed tourism through plans, studies, committees, task forces, and legislation. Within the context of a growing visitor industry, the current approach needs to be evaluated, revised and reorganized. In the past, CBJ has been too reactive when issues arise. Moving forward, CBJ, the visitor industry, and the community should proactively and collaboratively plan and act to ensure Juneau remains an attractive place to live and visit.

There are numerous CBJ planning efforts underway or contemplated that would affect tourism management, opportunity and efficiency. Additionally, there are infrastructure projects that contribute to management of tourism discussed in section 1b. Listed below are CBJ planning efforts related to tourism or that have a close connection to tourism as they are located in the downtown area. Efforts that may be funded by Marine Passenger Fees are designated with an asterisk.

1. Eaglecrest Summer Development Plan
2. CBJ grant to Whale SENSE Program*
3. Blueprint Downtown
4. Housing issues downtown
5. Waterfront Museum*
6. Small vessel docking study*
7. Issues identified in the Manager's recommended Passenger Fee Memo to the CBJ Assembly*
 - a. Juneau Cruise Passenger Survey
 - b. Cruise Passenger Transportation Study/Planning

The current management approach is realized through a mix of industry best management practices, agency permits and operations, and services provided by non-profits through grants and infrastructure planning. Compliance with visitor industry regulations and best practices is voluntary at times and mandatory under federal, state, or local statute or regulation. CBJ Resolution 2170, adopted in 2002, outlines tourism industry related policies and guiding ideas that are still relevant to the community. However, the resolution has not been used consistently as a guiding tool.

CBJ does not manage tourism through a single entity or under one section of code; various CBJ Departments manage areas used by tourists and tour operators. Those management activities include:

1. Dock Scheduling – Cruise Lines Agencies of Alaska (CLAA) schedules ships into Juneau and assigns the use of CBJ's Alaska Steamship Dock and Cruise Ship Terminal, as well as the lightering float used

by ships at anchor. CBJ has no contractual relationship with CLAA or member lines governing the use of these facilities.

2. Docks & Harbors Waterfront Management
 - a. Commercial Use Permitting of Docks and Harbors
 - b. Dock Maintenance
 - c. Seawalk Maintenance
3. Docks & Harbors / CBJ Assembly
 - a. Tidelands management
4. Parks & Recreation Management
 - a. Commercial Use Permitting of Parklands and Facilities
 - b. Seawalk Maintenance
 - c. Parks Management and Maintenance
5. Community Development Department Land Use Permits (including Planning Commission reviews)
6. Engineering/Public Works Right-of-Way Management
7. DOT Management of South Franklin Street – The roadway from Main Street to the Rock Dump is owned and managed by State DOT (Marine Way and South Franklin Street). However, for over 30 years, CBJ has taken the lead on roadway improvements.
8. Tourism Best Management Practices (TBMP) – Annual funding provided by CBJ from Marine Passenger Fees; the program is operated voluntarily by tourism operators and also manages the crossing guard program which is funded by Marine Passenger Fees.

Recommendations

1. CBJ should establish a centralized tourism management function funded by CBJ with full-time staff to guide implementation of the 2002 Tourism Management Plan (TMP) where applicable. The TMP provides an example of how this could function.

Docks & Harbors does not object to CBJ standing up full time staff as an intake for all things related to tourism management. It is possible that efficiencies could be realized in the number of permits required by companies which transcend CBJ Departmental boundaries, such as Docks & Harbors, Parks & Rec, Eaglecrest and JPD. However, Docks & Harbors cautions that a one size fits all mentality for every tourism permit could be counterproductive. As an example, Docks & Harbor believes the Seawalk from Marine Park to Franklin Street Dock is managed strictly and efficiently meeting the expectations of local and tourists. Should another entity begin managing this portion of the Seawalk, Docks & Harbors would strongly advocate to be consulted on decision made on Docks & Harbors managed properties.

2. CBJ should determine community goals (emissions, shore power, congestion mitigation, etc.) and develop and implement an action plan to achieve these goals.
 - a. Complete the Blueprint Downtown sub-area plan and address land use and zoning, as well as incentivizing local business development in the downtown core.

Docks & Harbors is currently pursuing an Electrification Study through our consultant,

Haight & Associates. The study will be completed in April 2021 and will determine whether there is sufficient power in Juneau to allow more than one cruise vessel to receive shore power.

3. The TBMP program should be augmented and supported by CBJ. TBMP remains an industry driven and operated program. As an industry program, peer and industry pressure achieves compliance that would be difficult to obtain under a regulatory regime.

Docks & Harbors strongly endorses voluntary, peer led compliance governance as the preferred means to establish desired community outcome.

4. CBJ should adopt ordinances and regulations to establish consistent management of commercial tour use on all lands, including parks, docks and harbors, right-of-ways, and other lands owned by the CBJ. Management considerations should include:
 - a. Continue to charge fees to fund required services and mitigate impacts. Review and revise fee schedule to ensure fees are appropriate.
 - b. Consider whether there should be commercial tour permitting on city streets and sidewalks for commercial tours such as guided hikes or guided micromobility tours; and if so, regulations should be developed in the same way that CBJ regulates parks and trails, to determine impacts, including days, times and capacity.
 - c. Limit Parks & Recreation commercial use permits to determine facility capacity and impacts (including hours and days). This may include some areas with higher visitation and some areas with lower or no visitation.
 - d. Require all tourism operators receiving Commercial Use Permits to be active members in good standing of TBMP and comply with TBMP guidelines, and where applicable, also be active members in good standing with WhaleSENSE and comply with WhaleSENSE guidelines.

Docks & Harbors requires all companies which have tour permits to be TBMP members when using CBJ owned facilities. Although Docks & Harbors concur with WhaleSENSE guidelines, the efficacy of requiring compliance is problematic as most whale watching excursions do not originate from CBJ owned facilities, the marine mammal resource is managed at the federal level and Docks & Harbors would not have the human capital to enforce violations.
 - e. Work with related agencies and partners, such as NOAA, on reducing speed and wakes from whale watching vessels in Statter Harbor, Auke Bay and other impacted areas.

Docks & Harbors has established a TBMP navigational corridor through Auke Bay to better manage damage from wakes and has implemented a no wake zone through Smuggler's Cove. Statter Harbor Officers routinely reminds harbor users that vessel operators are responsible for damage to property caused by one's wake. Docks & Harbors would not have the human capital to enforce violations.
 - f. Consider researching and implementing a permitting system for whale watching operators.
 - g. Recognize operators participating in the Alaska Travel Industry Association (ATIA), program "Adventure Green Alaska", to encourage sustainability practices.
 - h. Incentivize operators to adopt environmental best management practices through local award programs, such as a Juneau Commission on Sustainability award.
 - i. Recommend operators/cruise lines adopt Travel Juneau "Juneau Pledge" and ATIA "Alaska" pledge. Cruise lines may also create their own "Alaska" pledge through CLIA (a creative method to encourage guests from around the world to embrace community respect and

positive visitor behavior).

5. CBJ should require Cruise Lines International Association (CLIA) member cruise lines to operate in the following manner:

- a. In 2020 and going forward, minimize cruise ship waste in the landfill and prohibit ships from off-loading furniture, bedding, pillows, mattresses, electronics and other similar bulky items as garbage into the Juneau landfill. Coordinate with the landfill, CLIA and CLAA to implement this recommendation and as CLAA receives notifications and picks up the offloads, ask them to assist with not accepting these items. By 2021, consider prohibiting any cruise ship waste offloads into the landfill.

Docks & Harbors concurs with the goal of reduction of bulky material into the private Juneau landfill. It does not agree with regulatory means to compel compliance.

CLAA Port Manager Andrew Green testified that several vessels have added emission scrubbers to improve air quality many, but not all, vessels previously had two incinerators. Some vessels removed an incinerator for a scrubber resulting in less room available onboard to stow trash. This resulted in an increase in trash being brought to the landfill, up to three containers of waste may be transferred off a vessel. The International Maritime Pollution Act require port facilities provide certain services such as oily waste and offloading of trash from vessels engaged in international voyages, some ports have exemption. In SE Alaska, Juneau is the only port which can accept trash off loaded from a cruise ship. Whittier and Seward also have limited ability to handle trash and no local ability. The offloaded trash is regulated and it must be hauled to USDA approved land fill. It's a very complex and an operationally necessity. Mr. Green believes that only the absolutely necessary trash is removed from the cruise ships. He had heard that mattresses had be taken to the Juneau landfill which was the result of Canada not permitting the removal of mattresses without sterilizing which was not possible. The industry would not want to lose the opportunity to offload trash in Juneau as there are no other options. He also said that the amount of material which is deposited at the landfill from cruise ship is a small percentage of the overall waste.

Holland-American Group intends to pursue, self-imposed, zero refuse discharge in Juneau.

- b. Maximize use of shore power by all cruise lines by requiring CLAA to assign shore power configured ships to electrified docks once additional shore power infrastructure is in place.

Docks & Harbors has contracted with Haight & Associates to determine Juneau's energy capacity to power additional cruise ship berths. In addition to other requirements, the study will determine anticipated rate increases if the power is provided on an interruptible or firm basis. The report is expected to be complete in April 2021. In general, Docks & Harbors does not concur with forcing CLAA to comply with operational scheduling edicts. There are many operational and contractual requirements which CLAA must juggle in the preparation of schedules. The recommendation as written could require all vessels with contractual obligations to the privately owned AJ Dock to go to the CBJ owned electrified dock.

- c. Limit water usage by ships in periods of drought.

Approximately five years ago, water rationing to cruise vessels was a concern within the community. To address the issue CLAA would consult with the CBJ Water Division to determine how much water could be provided to a vessel on a daily basis. The cruise lines were not put off that they didn't receive water during periods of rationing. Since then, head tax was used to construct the Salmon Creek Water Filtration Plant which now serves 33% of all water needs in Juneau. Providing water to the cruise ship hasn't been an issue recently and the recommendation "to limit water usage in periods of drought" is already in place. Mr. Green (CLAA) indicated the industry supported the request to solve water issues in Juneau which included building a 1.5M tank at the Last Chance Basin, which was a massive well water development in the basin. The industry also supported the UV treatment and filtration system for the Salmon Creek Dam water supply. Mr. Green indicated that it should be very difficult to run out of water. Nonetheless, the industry will throttle back water request, waste water, shore power or any other service to be equitable and meet the needs of the community. The cruise industry was successful in lobbying for funds either head tax or state marine passenger fees.

- d. Turn off large LED screens while in port in coordination with CLIA and TBMP
- e. Maximize "localism"
 - i. Encourage cruise lines to maximize partnerships with locally owned businesses.
 - ii. Continue to support and direct cruise ship passengers to local businesses.
- f. Coordinate with CLIA and CLAA on ship scheduling and berthing to minimize congestion at all docks. These recommendations should be implemented over the next three years based on feasibility and need. In 2020, strategically assign ships based on size with the goal of reducing traffic congestion downtown
 - i. In 2020 and going forward, work with CLAA and CLIA to provide more transparency and visibility for schedules and projected passenger counts, two years in advance or upon creation.
 - ii. In 2020 and going forward, should a ship wish to call in Juneau at CBJ operated facilities on a day other than what was originally scheduled due to weather or other factors, CLAA should review this request with CBJ prior to confirming this call in order to evaluate how the change affects congestion and other impacts to the community. Docks & Harbors believes this is such a rare occurrence that it merits deletion. As an example, a vessel may not be able to moor in Skagway due to high winds. No one (cruise lines, CLAA, port communities) benefits with port call uncertainty. It is not clear who in CBJ would approve this request for port changes.
 - iii. In 2021, stagger arrival times of ships by 30 minutes.

This reads as if a change is required. Currently ship arrivals are scheduled at no less than 30 minutes between vessels. There may be confusion within the community as the CLAA maintains two arrival schedules, one for the general public which is approximate and an operational schedule which is considered SSI (Sensitive Security Information) used by those who need an accurate arrival time. The latter will never schedule two cruise vessels to arrive simultaneously.

Safety is number one concern for all involved in the maritime transportation industry

and arrival times are closely aligned with the Alaska pilots. Additionally, the longshore labor pool is limited that it is virtually impossible to moor vessels any sooner than 30 minutes between arriving vessels.

- iv. In 2022 if the NCL berth is operational as the fifth dock, prohibit hot berthing as a scheduled practice.

Docks & Harbors favors a restriction to limit hot berthing of a future NCL berth and recommends this prohibition be incorporated in lease negotiations.

- 6. CBJ should clearly establish guidelines and goals for the scheduling/assigning of **municipal** docks. These recommendations should be implemented over the next three years based on feasibility and need.
 - a. In 2020 and going forward, prohibit docking or anchoring of passenger cruise ships of any size in Auke Bay, specifically Statter Harbor, except for emergency purposes.

Docks & Harbors objects to this statement as written. Docks & Harbor agrees that the existing infrastructure is woefully inadequate and currently not suitable for supporting cruise ships. However, it may be adequate and desirable for small cruise ship visits following recapitalization of the aging Statter Breakwater. There is also a concern that large yachts or mega yachts with only 12 passengers could be prevented from using Statter Harbor under these recommendations.

- b. In 2020 and going forward, work with CLAA and CLIA to provide more transparency and visibility for schedules and projected passenger counts, two years in advance or upon creation.
 - c. In 2021, stagger arrival times of ships by 30 minutes.

This reads as if a change is required. Currently ship arrivals are scheduled at no less than 30 minutes between vessels. There may be confusion within the community as the CLAA maintains two arrival schedules, one for the general public which is approximate and an operational schedule which is considered SSI (Sensitive Security Information) used by those who need an accurate arrival time. The latter will never schedule two cruise vessels to arrive simultaneously.

Safety is number one concern for all involved in the maritime transportation industry and arrival times are closely aligned with the Alaska pilots. Additionally, the longshore labor pool is limited that it is virtually impossible to moor vessels any sooner than 30 minutes between arriving vessels.

- d. In 2022 if the NCL berth is operational as the fifth dock, prohibit hot berthing as a scheduled practice.

Docks & Harbors favors restriction to limit hot berthing of a future NCL berth and recommends this prohibition be incorporated in lease negotiations.

- e. Prioritize berthing for shore power configured ships once additional shore power infrastructure is in place.

In general, Docks & Harbors does not concur with forcing CLAA to comply with operational

scheduling edicts. There are many operational and contractual requirements which CLAA must juggle in the preparation of schedules. Not only does CLAA schedule the Juneau berths but berths throughout SE Alaska. Mandating unilateral direction within the Port of Juneau may have unintended consequences throughout the region. The recommendation as written could require all vessels with contractual obligations to the privately owned AJ Dock to go to the CBJ owned electrified dock.

7. Incentivize Juneau as a turn port for smaller ships.

Docks & Harbors strongly concurs with incentivizing Juneau as small cruise ship turn port and is in the process of conducting Small Cruise Ship Infrastructure Master Plan. This plan will determine opportunities to support the smaller cruise ship industry needs, defined as vessels under 275 feet in length. Encouraging Juneau as a turn port would be an economic boom for many small local businesses.

8. Juneau should establish a marketing identity through their destination marketing organization, Travel Juneau. Integrate this marketing identity across the community (conceptual draft – Juneau is proud of its cultural heritage, support of the arts, love of the natural environment, and finds its identity as an ocean and mountain town).

1b) Is the approach adequate within the existing dock infrastructure and within other foreseeable public or private infrastructure projects for the growth anticipated?

The current management approach within the existing and foreseeable infrastructure projects is not adequate. Many of the current projects address important issues, but the approach needs to be consistently coordinated among city, state, and federal partners. Additional work should be continued to mitigate current impacts and anticipate future impacts. Numerous upgrades to downtown infrastructure are underway and some may be impacted by reduced Marine Passenger Fee revenue. These projects increase Juneau’s ability to host large numbers of visitors. The upgrades, with completion dates, include:

1. Egan Drive improvements (2020) – ADOT reconstruction of Egan Drive from Main Street to 10th Street.
2. Small bus staging at the Archipelago area (2022) – Deckover of tideland area close to the Marine Parking Garage to provide space for passenger bus loading.
3. Open space at the Archipelago area (2022) – Private project adjacent to the Marine Parking Garage to develop commercial and open space on the waterfront.
4. Sidewalk stanchions (2020 - 2022) – Continue installing barriers at the edge of sidewalk along S. Franklin Street to separate pedestrians and vehicles.
5. Warner’s Wharf Alley Improvements (2020-2021) – Safety and pedestrian improvements to the Seawalk access on Warner’s Wharf, adjacent to Pier 49.
6. Dock Electrification planning (ongoing).
7. Seawalk Infill at Marine Park (2021) – Install Seawalk decking over the area where the lightering ramp and float was removed. This will extend the Seawalk to connect to Marine Park.
8. Seawalk expansion South to AJ Dock planning (ongoing).
9. Marine Park Upgrades (2023) – Park reconstruction project to improve pedestrian flow and user

amenities on the waterfront.

10. Marine Way Seward Street Crosswalk (2021) – Evaluate location of crosswalk and utility of left turning movement at Seward Street.
11. Cruise Ship Real Time Wastewater Monitoring (2021) - Install instrumentation and control systems to track strength and flow rate of discharges to allow for efficient plant management.
12. Franklin Dock Floating Berth (2021) – Private project evaluating replacing the current cruise ship dock with a floating berth.

Recommendations

1. Additional infrastructure development should be considered in the downtown area to accommodate current volumes and potential growth. Continued efforts to move people and vehicles through downtown efficiently and safely are necessary.
 - a. Traffic congestion on S. Franklin is a critical infrastructure issue that needs to continue to be addressed through planning, design, and construction to separate pedestrian and vehicular flow. CBJ and DOT should coordinate to accomplish this work. Considerations should include:
 - i. Maximize right-of-way space for pedestrians.
 - ii. Minimize required stops for vehicles.
 - iii. Extension of pedestrian stanchions.
 - iv. Minimize and consolidate turning movements.
 - v. Focus pedestrian flow to crosswalks and desired destinations.
 - vi. Improve pedestrian flow by creating better access between Seawalk and S. Franklin Street.
 - vii. Consider staging areas outside of downtown for cargo deliveries and incentivize companies to deliver outside of times when cruise ships are in port.
 - viii. Encourage and incentivize electrification of tourism vehicles.

Docks & Harbors has coordinated with AELP and has installed the necessary electrical vaults and conduit to provide electrical charging stations at the newly constructed Archipelago Lot. Currently there are no small electrical busses in Juneau but Docks & Harbors will be prepared to support when the need is requested.
2. Research and develop efforts to move people on and off the right-of-way, including circulators, electric ferries, Seawalk extension, connections between S. Franklin Street with the Seawalk, and other alternative pedestrian routes.
3. Prioritize dock electrification and continue to work with the electrical utility to monitor electrical capacity available for purchase on either an interruptible or firm basis.

Docks & Harbors has contracted with Haight & Associates to determine Juneau's energy capacity to power additional cruise ship berths. In addition to other requirements, the study will determine anticipated rate increases if the power is provided on an interruptible or firm basis. The report is expected to be complete in April 2021.

4. Limit expansion of downtown dock infrastructure to allow for no more than one additional larger cruise ship.

Docks & Harbors does not object to limiting the downtown large cruise ship capacity to five. It is recommended that the limitation be negotiated contractually during tideland lease discussions.

5. Wastewater, water, and air quality should continue to be evaluated by the City and State to reduce impacts on the health of the community and environment. Responsible agencies should evaluate and plan to analyze capacity and impacts of increased cruise ship visitation. Air quality should be monitored regularly for adherence to strict standards, including compliance with the Marine Vessel Visible Standards (18 AC 50-.070) and all available and reasonable steps to minimize visible stack emissions while in port should be taken.
6. Plans for infrastructure development including design standards and analysis of growth and impacts should be completed for other areas outside of the downtown waterfront where tourism growth is occurring or could occur, such as Auke Bay and North Douglas (Eaglecrest).
Docks & Harbors has proactively studied and advanced ideas to reduce congestion in the Auke Bay vicinity. This includes the acquisition of the Auke Bay Marine Station and steadfast efforts to execute the multi-phase Statter Harbor improvements. Docks & Harbors is open for innovative ideas encouraging large water taxis or ferry shuttles to transport visitors from the downtown core to Douglas Harbor or the eventual NCL dock.
7. Support public and private development ventures that alleviate pressure on existing infrastructure.
8. Ensure recreational facilities such as trails for hiking and biking are developed to maintain Juneau as a top recreational place to live and visit.
9. Recognize the contributions of Native Alaska organizations to the downtown core and support continued growth of cultural tourism and installation of Native Alaska art in public spaces.

2. Mayor's charge: Regarding reviewing and updating the Long Range Waterfront Plan

The Long Range Waterfront Plan (LRWP) has guided CBJ thinking and actions on the development of waterfront infrastructure for the last 15 years. The LRWP was the culmination of a great deal of planning work in the early 2000's. Writing, considering, and adopting the LRWP was very time consuming, and required extensive and sustained public engagement. Updating or re-writing the Plan would be similarly difficult and time intensive.

2a) What are the pros and cons of updating the LRWP?

Pros

1. The LRWP is an infrastructure development plan for the waterfront land between the Juneau - Douglas Bridge and the Little Rock Dump. The extent of tourism reach in Juneau has expanded beyond the downtown waterfront; updated planning could be done in areas outside the scope of the LRWP, including harbors and transportation corridors.
2. Proactive planning instead of a reactive approach is needed on infrastructure and tourism issues.
3. In 2004, the work on the LRWP was a positive step in bringing the community together on tourism issues.

Cons

1. The effort and cost of the LRWP was very high.

2. It is uncertain whether the community has the capacity to focus on a yearlong waterfront planning process.
3. The current plan is still functional and valid for the waterfront area.
4. There are many neighborhood, harbor, and park plans that inform zoning and infrastructure development.

2b) If the LRWP was updated, should it be an infrastructure update or should that update consider other policy or operational issues?

1. The LRWP horizon extends to 2026. Currently, the concept design approaches and recommendations within the plan are still valid and can be used as a foundation for continued development along the downtown waterfront. Approximately 50% of the tasks outlined in the LRWP are complete; progress should continue to complete the remaining viable tasks by 2026.
2. Updates on completed projects along the downtown waterfront should be made and communicated to the public through a conceptual five-year Capital Improvement Program (CIP).
3. Regarding considerations of policy and operational issues, recommendations in Task Force charging question #1 respond to this need.

Recommendations

1. Do not expend the effort necessary to update the LRWP. The CBJ Assembly should maintain focus on better tourism management and rely on the finer detailing from the ongoing Blueprint Downtown planning efforts.
Docks & Harbors agrees that the LRWP has proven to be a significant guiding principal in developing the downtown waterfront. Numerous improvements can be attributed to the LRWP and it is not recommended that a revision is necessary. More recent studies such as the Urban Design Plan (Taku Dock to Marine Park) and the ongoing Blueprint Downtown and Small Cruise Ship Infrastructure Master Plan appear to provide a community vision of appropriate and sustainable planning documents.
2. Complete development of the Seawalk.
Docks & Harbors strongly supports the completion of the Seawalk from the Douglas Bridge to AJ Dock. One of the Small Cruise Ship Infrastructure Master Plan preliminary alternatives encourages development along the Coast Guard/NOAA Dock which would provide linkage from Gold Creek to the Merchant's Wharf.

3. Mayor's charge: Regarding the persistent idea of a restriction on the number of visitors

1. Consider and research whether a restriction on the number of visitors arriving in Juneau would be legal, enforceable or practical.
2. If found to be legal and enforceable, advise on the pros and cons of the concept of restricting the number of visitors and whether a restriction strategy might be:
 - a. A concept that would apply to annual/seasonal visitation numbers?
 - b. A concept that would apply to daily visitation numbers?

3. Consider whether changes to ship scheduling (daily arrivals and departures) might address community concerns and impacts.
4. Consider the pros and cons of CBJ becoming involved in dock scheduling.

Legal Considerations

The City Attorney provided the task force with a memo on January 21, 2020 that broadly outlined the numerous legal hurdles that could oppose a legal limitation on the number of cruise ship passengers that visit Juneau.

Practical Considerations

As a practical matter, limitation of cruise ship passenger visitation can be achieved by the following methods:

1. Limit by Infrastructure

Whether or not to lease tidelands for a new dock (or docks) to accommodate larger cruise ships is the most pressing capacity question that Juneau will face in the foreseeable future. The CBJ Assembly should spend a significant amount of time studying this issue. A new dock may or may not supplant the existing anchoring and lightering and may or may not result in significant ship visitation growth. However, that analysis is greatly over simplified.

2. Limits on Ship Scheduling

The revenue bonds that financed the construction of CBJ owned cruise ship docks and lightering float (commonly known as 16B) requires that the debt service not be placed in jeopardy. The bonds are scheduled to be paid off in 2034, but the CBJ can prepay the bonds as early as March 1, 2026. Limitation on dock availability (such as instituting “no ship days” at CBJ facilities) at the municipal docks may cause such jeopardy.

CBJ does not have the authority to limit scheduling/berthing at the two privately owned docks. If, over time, the municipality acquired the private docks, it would eventually have more control of scheduling once the debt incurred in the acquisition was retired. Note, however, that neither private dock is for sale.

To limit ships anchoring and lightering, CBJ could consider limiting availability of its owned lightering docks. However, private lightering options could become available.

Daily or hourly limits could also be considered on the availability of commercial activity on CBJ lands and harbors.

3. Limit by Negotiation

CBJ effectively ended years of litigation with CLIA by negotiating a Memorandum of Agreement that satisfies the needs of Juneau and the industry. A best course of action should include determining community goals and directly negotiating to achieve them.

4. Financial Incentives/Disincentives

Different ship berthing protocols can result in less congestion, but there are barriers to adjustments to the assigned berthing locations. Issues include cruise lines’ historical preference and the economic disparity between the rates charged at less expensive CBJ facilities and the

costlier private berth options.

Recommendations

1. At this time, the CBJ should not pursue a hard numerical “cap” on numbers of visitors because it is legally questionable and logistically impractical. Limitations can be achieved through other measures, including port infrastructure capacity to better manage the impacts of visitors.

Docks & Harbors concurs with not pursuing numerical caps to manage industry growth. It would be preferable to impose limits through negotiations such as through CLIA annually or thorough a tideland lease process for the NCL Dock.

2. Request CBJ Law to research how other U.S. communities have instituted a numerical visitor cap and /or other possible methods of limitations.

3. CBJ has traditionally left scheduling of the port and assigning of the City docks to CLAA, but should take a more active role to achieve its management goals. See section 1a of this report for specific recommendations.

Docks & Harbors respectfully disagrees that a more proactive role in scheduling would lead to greater efficiencies or quality of life improvements. CLAA orchestrates a very complex scheduling of ships throughout SEAK and even the best intentions of local demands could be detrimental to the overall regional scheduling scheme. Docks & Harbors does, however, recommend that its staff meet annually with CLAA to discuss Juneau-specific concerns. This could include ensuring CLAA is aware of events such as the Blessing of the Fleet, Maritime Festival and 4th of July impacts.

4. CBJ should negotiate changes that would promote more efficient ship scheduling, berthing and managing congestion, such as assigning larger capacity ships to the City docks and reducing traffic on South Franklin.

Docks & Harbors respectfully disagrees that a more proactive role in scheduling would lead to greater efficiencies or quality of life improvements. CLAA orchestrates a very complex scheduling of ships throughout SEAK and even the best intentions of local demands could be detrimental to the overall regional scheduling scheme. Docks & Harbors recognizes that the private docks have contractual relationships with individual cruise ship companies which could adversely imperil those legal obligations. CBJ has successfully managed the two city-owned cruise ship docks for several decades without contractual agreements. Docks & Harbors does not see the necessity to make recommended changes.

5. By 2023, CBJ should negotiate a formal agreement with the industry to limit the number of ships to five larger ships per day, one ship at each dock or four ships at docks and one at anchor (if the fifth dock is not built or if a fifth ship chooses to anchor instead of dock). This would give the industry time to adjust to recommendations.

Docks & Harbors agrees with pursuing non-regulatory agreements which limit the number of large cruise ship vessels to five per day.

6. CBJ should work with cruise lines to attempt to “get the peak out of the week” and balance the numbers of visitors across days of the week. There are more docks being constructed throughout Southeast; CBJ and other Southeast communities should work with the cruise lines to manage visitation throughout the region.

Docks & Harbors agrees that in a perfect situation, the number of vessels and passengers arriving daily would be constant throughout the season. Unfortunately, market forces and traveler preference dictate most cruise ships depart from Seattle or Vancouver over the

weekend resulting in peak arrivals in Juneau early in the week. Docks & Harbors agrees with working together with the industry to improve the passenger experience constructively.

7. CBJ should work with the various agencies including CLAA, CLIA and individual ship lines to discourage or prohibit anchoring and lightering by larger ships if an additional dock is constructed. If a Subport dock is constructed, the CBJ should more thoroughly investigate and completely understand under what circumstances the USCG would remove or restrict the current anchorage.

Docks & Harbors agrees with the goal of limiting the number of large cruise ships to five per day using non-regulatory or negotiated agreements.

8. The Visitor Industry Task Force did not reach consensus on the issue of a ship free day or “no ship days” at one CBJ dock per day. One option could be instructing CLAA to cease assigning one of the city docks on certain Saturdays, alternating between Alaska Steamship Dock and Cruise Ship Terminal. Issues discussed included:

- a. Economic impacts
- b. Region-wide scheduling considerations
- c. Inability to control assigning of private docks
- d. Legal and debt service concerns (16B docks)

Docks & Harbors does not concur with limiting the Docks Enterprise opportunity for revenue generation. Docks & Harbors does not receive general funds supported by property tax or sales tax and revenue reductions do affect its operational budget.

4. Mayor’s Charge: Considering methods for collecting public opinion

Consider the pros and cons of collecting public opinion through formal surveys, including researching survey costs. Public opinion is always important for the CBJ Assembly to determine and collect; however, asking simple yes/no questions on nuanced issues can be polarizing and can be difficult to get the public to understand all of the details necessary for formation of well-founded policy decisions.

In the 1990’s and 2000’s, CBJ commissioned a number of surveys of public perceptions on tourism. The 2002 Juneau Tourism Management Plan identifies survey results as the primary indicator for activating “safety valves” – constructing an additional port separate from Juneau, but within the Borough to disperse the CBJ’s visitor load. Public surveys can be a useful community engagement tool, because they make it possible to get results from a broader cross section of the community than with other public engagement methods. However, it is important for survey questions to be well designed. It is also important to have a clear understanding of the purpose of the public survey. Such a survey could be focused on general public perception (i.e. “has Juneau reached its capacity for cruise tourism?”) or focused on measuring community impacts in specific areas. It would also be important to consider who would use the survey results and for what purpose.

Recommendations

1. Engage a third party contractor to complete a public opinion survey of Juneau residents at the end of the 2021 cruise season.

Docks & Harbors concurs that surveying the public is a useful exercise in developing metrics to

meet expectations.

2. Depending on the utility of a survey, additional surveys should be planned to gauge how management strategies are influencing public perception.
3. Consider collecting data on the effects of hot berthing.

Additional Task Force Discussion Issues

Subport Development/Upcoming Norwegian Cruise Line Dock Proposal

Whether or not to support an upcoming Subport development proposal is a CBJ Assembly decision. The USCG and/or NOAA also have important roles. Future discussions should consider allowing, limiting or prohibiting anchoring in the Juneau Harbor. The use of dynamic positioning navigational systems, which when in use, designate vessels as “underway” vs. “anchor” should also be discussed as this may change the ability of agencies to utilize certain management tools to control the anchorage.

A shift in docking or anchoring of cruise ships may alter spending patterns of passengers and affect the local economy. In addition, a dock at the Subport could leverage other community goals such as:

1. Seawalk
2. Small Boat Harbor
3. Ocean Center
4. Berthing for small cruise ships (The Task Force does not yet have an accepted definition of “smaller ships”)
5. Homeporting of “small ships”
6. Economic and/or Housing Development
7. Pedestrian management such as a walkway crossing over Egan
8. Reducing vehicle congestion on S. Franklin Street

Recommendation

Support a Subport dock if the following conditions are met, recognizing that some of these conditions are beyond NCL or any other developer’s control. However, the Task Force submits these items for Assembly consideration in making policy decisions:

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 the sixth ship in town. Larger ships may anchor but the number of larger ships in port would still be limited to five (CBJ to consider legal ramifications of limiting size of ships at anchor);

5. High quality uplands development for community and visitors;
6. Year round development orientation;
7. CBJ manages dock to some extent through a public private partnership or management agreement;
8. Dock is electrified.

Docks & Harbors generally concurs with these recommendations and is not opposed to opportunities to manage other facilities as a public private partnership. We believe the community is best served with the waterfront in local control. As stated elsewhere Docks & Harbors does not object to non-regulatory limitations of no more than five large cruise ship per day.

Cruise Ship Size Discussion

The task force report includes many recommendations related to cruise ship size, especially as related to a potential new NCL dock and anchoring of ships. In the report, the term 'larger' cruise ship is used and a specific definition of larger ship is not given for the following reasons:

1. The length of a ship does not necessarily determine the number of passengers.
2. Limiting ships by number of passengers may require additional legal analysis.
3. The concern on ship size is related generally to the amount of impacts it creates in the community on the environment, traffic and congestion, and infrastructure. The Assembly may have to define a 'larger ship' as it proceeds with tourism management, but this definition will likely include a deeper analysis of impacts, expected fleet of ships, and ongoing and planned infrastructure development. The committee suggests that 'small ships' are those with 500 or fewer passenger capacity. 'Larger' ships are those that exceed these a 500 passenger capacity.

Docks & Harbors is using the overall length of 275 linear feet as the upper limit in the Small Cruise Ship Infrastructure Master Plan. This length was selected because American Cruise Lines maintains a vessel which operates a 273 foot vessel in SE Alaska named the CONSTELLATION. American Cruise Lines would like to utilize downtown facilities but the CONSTELLATION is too large for any of the small vessel moorage locations.