



*Formerly McDowell Group*

# JUNEAU ECONOMIC PLAN

## 2021-22 Progress Report

April 2022

**PREPARED FOR:**

**City and Borough of Juneau**

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# Executive Summary

The City and Borough of Juneau contracted with McKinley Research Group to assess progress made on a series of economic development initiatives outlined in the 2015 Juneau Economic Plan (JEP). The analysis includes an examination of broad demographic and economic trends in Juneau's economy since the completion of JEP. In addition to conducting research and data analysis, McKinley Research staff conducted executive interviews with over forty individuals for purposes of this report. Key findings are summarized below.

## Pre-COVID Economic Trends in Juneau

Broad measures of trends in Juneau's economy generally show a stable or growing economy prior to the pandemic while population has trended down.

- Juneau's population declined by about 900 residents between 2015 and 2019, a 2.7% decrease. The downward trend continued in 2020 and 2021.
- Since 2015, cumulative net outmigration (the difference between the number of people leaving Juneau and the number of people moving to Juneau) has totaled approximately 1,900.
- Wage and salary employment in Juneau declined by about 1% between 2015 and 2019. This modest change in employment masks significant change in several sectors of the economy:
  - State government employment declined 10% between 2015 and 2019, a loss of over 400 jobs.
  - Retail employment was down 6% between 2015 and 2019, financial activities down 10%, and information services employment down 15%.
  - Private sector employment was up 1% overall between 2015 and 2019, mainly as a result of visitor industry growth. Scenic and sightseeing employment doubled between 2015 and 2019, reflecting growth in cruise traffic.
- Between 2015 and 2019, Juneau residents' total real (inflation-adjusted) personal income increased by \$120 million (5%). The increase in personal income is a positive counterpoint to the decline in population.
- The broadest measure of Juneau's economy, gross domestic product (GDP), shows an economy that has changed little in the past decade. Juneau's real GDP in 2019 was \$2.57 billion, about equal to the 2010-2019 average of \$2.56 billion and the 2015-2019

average of \$2.55 billion. GDP is a measure of the total value of the final goods and services produced in Juneau.

## Economic Impact of the Pandemic

- Juneau lost 12% of its wage and salary employment base in 2020, with average employment down 2,085 jobs compared to 2019.
  - Losses were most severe in May, down 21% from May 2019, a loss of 3,983 jobs.
- Total wages were down 1% in 2020, a loss of \$10 million from 2019.
  - Total private sector wages were down 5% (-\$24 million).

## COVID Impact Update

- Through the first three quarters of 2021, total employment in Juneau was up 3.7% from the same period in 2020, but still 10% (1,780 jobs) below 2019.
  - Private sector employment was up 5.4% in 2021, but still 15% below 2019.
- Through the first three quarters of 2021, total wages in Juneau were up 5.1% from the same period in 2020, and up 1.0% from 2019 (in nominal dollars).
  - Total private sector wages were up 6.5% in 2021, but still 1.2% below 2019.
- The latest available regional employment estimates, from November 2021, indicate employment remains about 5% below November 2019 pre-pandemic levels.
- Whether Juneau and the Southeast region overall recover to pre-pandemic employment levels will depend on a number of factors including the strength of the cruise season and whether employers across the economy are able to fill labor needs.

## Progress on JEP Initiatives

Through a detailed planning and public involvement process, the 2015 JEP identified eight economic development initiatives, including:

- *Enhance Essential Infrastructure*
- *Build the Senior Economy*
- *Attract and Prepare the Next Generation Workforce*
- *Recognize and Expand Juneau's Position as a Research Center*
- *Build on Our Strengths*
- *Protect and Enhance Juneau's Role as Capital City*
- *Revitalize Downtown*
- *Promote Housing Affordability and Availability*



It is not possible within the scope of this report to fully document all the work and progress related to JEP initiatives that has occurred since the initial report. A great deal of related work has been conducted by CBJ, JEDC, Juneau Chamber of Commerce, Alaska Committee, Downtown Business Association, the Central Council of Tlingit and Haida Indian Tribes of Alaska (CCTHITA), and many other organizations. For this high-level assessment of progress in each initiative, the McKinley Research Group project team examined secondary data and conducted “key informant” interviews. Results are briefly summarized below.

### **Enhance Essential Infrastructure**

Two infrastructure projects were identified that improve access to 3,500 acres of CBJ-owned land, classified as a “new growth area,” on West Douglas Island: the Pioneer Road extension of North Douglas Highway and the second channel crossing.

- 3.5 miles of pioneer road have been completed, funded by a \$3 million grant from DCCED
- CBJ and ADOTPF agreed to initiate a Planning and Environmental Linkages (PEL) study for the “Juneau North Channel Second Crossing Project” to identify options to advance to a full NEPA process. The PEL is underway and expected to be completed in 2023.

Another objective within this initiative was to pursue activities to ensure marine freight services are “high-quality and the most affordable possible.” To this end, the Juneau Chamber of Commerce and CBJ funded research in 2017 to address business challenges associated with freight transportation. The Chamber also led a working group to identify opportunities to improve freight services and identify challenges faced by freight carriers serving Southeast.

### **Build the Senior Economy**

This initiative focused on two objectives: enhancing housing options and services for seniors, and increasing capacity of the health care workforce to serve seniors. Juneau’s population age 60 and over increased by 51% between 2010 and 2020, from 4,495 to 6,795 residents. The number of older seniors (age 70 or over) increased 71%. One in five Juneau residents is now 60 or over.

- Progress on senior housing includes the construction in 2017 of the 49-unit Trillium Landing, for residents aged 55 and above. A new 88-bed senior assisted living facility is underway.
- In 2019, CBJ Assembly passed an ordinance to establish a property tax abatement program for assisted living developments that create 15 or more new residential units. The program is to be in effect for 12 years
- In 2019, CBJ funded a Juneau Senior Survey to document the needs of Juneau’s growing senior population



There is general agreement that there has not been significant progress on the health care worker shortage issue since 2015. In fact, health care staffing was described as being at “crisis levels” before the pandemic exacerbated the problem.

### **Attract and Prepare the Next Generation Workforce**

This initiative focused on training, recruitment, and retention of a skilled labor force able to meet Juneau’s workforce needs. In summary, cost and availability of both housing and child care remain key barriers to employee recruitment. Substantial efforts have been made to address child care challenges.

- Prior to the pandemic, Juneau’s child care capacity was declining. In July 2014, licensed capacity was 1,197; by June 2018 capacity was down to 942.<sup>1</sup> With pandemic-related challenges, licensed capacity was measured at 825 in January 2022.
- CBJ has invested significant time and resources to address the issue, as evidenced by Mayor Weldon’s creation in November 2018 of the Assembly Childcare Committee. After extensive analysis and public participation, the committee delivered a final report with recommendations on April 19, 2019.<sup>2</sup>
- CBJ has invested more than \$1.7 million over recent years to address long-term and pandemic-related needs in the child care sector (including over \$1 million in CARES Child Care Stabilization Grants).

### **Recognize and Expand Juneau’s Position as a Research Center**

This initiative sought ways to explore attracting research funding and related employment opportunities to Juneau. JEP identified two objectives: relocating Alaska fisheries science and management jobs to Juneau, and supporting applied research that would benefit Juneau business and industry.

No comprehensive data is available to measure changes in the flow of research funding or the number of researchers employed in Juneau. Nevertheless, significant efforts have been made to build this aspect of the local and regional economies.

- The JEDC-led Research and Development Cluster Working Group has continued efforts started in 2013 to build research as an economic driver for Juneau and the region. Of note, in 2016, the Group accepted Community of Excellence in Research recognition from the Alaska State Committee for Research on behalf of the Southeast region.

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<sup>1</sup><https://dhss.alaska.gov/dpa/Documents/dpa/programs/ccare/Documents/Resources-Reports/Juneau-Licensed-Child-Care-Assessment.pdf>

<sup>2</sup> <https://juneau.org/wp-content/uploads/2019/04/Final-Childcare-Committee-Report-4.19.19.pdf>

- UAS continues to develop and expand research and education opportunities related to environmental sciences, mariculture, indigenous studies, and other areas.

### **Build on Our Strengths**

The goal of this initiative was to “expand business opportunities where we have natural advantages” including increasing independent visitor travel to Juneau, creating more value from seafood resources, and building the community’s role as an arts and culture hub.

- Independent visitor travel to Juneau was last measured in 2016 at 78,000 non-resident visitors. While there are no counts of independent travel volume to Juneau since 2016, indicators of growth include annual bed tax revenues which rose from \$1.43 million in FY2016 to \$1.63 million in FY2019, a 14% increase. Bed tax revenues declined sharply in 2020 due to pandemic-related travel restrictions. Air traffic data also indicate growth. Total enplanements increased from 285,422 in 2015 to 328,743 in 2019.
- Data on fish landings in Juneau are not publicly available. However, fish tax data provide an indicator of value trends. Over the past decade, fish tax revenue to CBJ has been generally steady, averaging \$393,000. Tax revenues for 2015 to 2019 averaged \$382,000. This indicates total landed value averages of \$26.2 million and \$25.5 million for the same periods, respectively.
- There is a downward trend in the number of Juneau residents who earn income from commercial fishing. In 2019, 247 Juneau residents fished a limited entry permit, 11% fewer than in 2015. Harvest values for Juneau’s commercial fishermen have varied with changes in prices and run strength, averaging \$22.1 million between 2011 and 2020, and \$21.6 between 2015 and 2019.
- Sealaska Heritage Institute (SHI) has led Juneau’s development as a hub for traditional Northwest Coast art and cultural preservation. SHI’s 6,000 square foot Sealaska Heritage Arts Campus is nearing completion. Construction of the \$20 million Walter Soboleff Building in 2015 was a major milestone in Juneau’s growth as an arts and culture center.
- Planning and pre-development work continues on CCHITA’s Thane cultural immersion park, which will include performances, arts venues, and other opportunities for visitors to experience Alaska Native culture.

### **Protect and Enhance Juneau’s Role as Capital City**

The goal of this initiative is “maintain state government employment and real wages in Juneau and “brand” Juneau as a great Capital City. Juneau’s role as Capital City remains the foundation of the local economy, directly accounting for 3,500 jobs and nearly \$230 million in annual wages. Including multiplier effects, Juneau’s role as Capital City and as the seat of state government accounts for one-third of the local economy.

Juneau has been and continues to do all it can to preserve its role as Capital City. This includes the diligent work of the Alaska Committee, the community’s ongoing investment in Gavel Alaska,



and investment in the Capital complex through the Juneau Community Foundation (JCF) Juneau Capitol Fund. This work has been key in fighting efforts to move sessions of the Alaska State Legislature, which will no doubt continue, as will calls to move the capital. Nevertheless, due to forces outside Juneau's control, state government employment in Juneau continues to decline.

- State government employment in Juneau has declined for eight consecutive years. Employment in 2020 averaged 3,528 jobs, 776 below the 2012 peak, a decline of 18%. Data for the first three quarters of 2021 indicate further decline. Juneau has lost \$35 million in real (inflation-adjusted) state wages since 2012.
- State government employment has been declining statewide, though at a lower rate than in Juneau. State employment outside of Juneau has declined by 13% since 2012.

### **Revitalize Downtown**

The goal of this initiative is to strengthen the economic vitality of downtown businesses and make it a more livable, mixed-use area. A great deal of work has occurred in support of this initiative:

- In 2018, CBJ initiated "Blueprint Downtown," an area plan to revitalize downtown Juneau that articulates the community's vision, goals, priorities, and action strategies to guide downtown development over the next 20 years.
- CBJ conducted the Upstairs Downtown Housing Inventory Story Map project in 2019 to identify vacant spaces in the downtown core that could be used for residential units.
- CBJ completed a Historic and Cultural Preservation plan in 2020, a key step in pursuing funding for restoration of historic downtown buildings.
- CBJ has developed incentives including the Downtown tax abatement program to encourage development of more apartment units in the area. CBJ is currently working on revisions to the parking ordinance to address barriers to new downtown residential construction.
- The new Sealaska Heritage Arts Campus (noted above) will increase vitality of the downtown area.

### **Promote Housing Affordability and Availability**

Lack of affordable housing is viewed as a key barrier to economic growth in Juneau. JEP identified the need to promote construction of affordable housing for families, seniors, and other populations.

CBJ has utilized a wide range of tools to promote housing affordability and availability, including planning and zoning policy changes to encourage development, utilization of CBJ land assets, and direct funding programs. Work since 2015 includes:

- A Housing Action Plan developed in 2016, with a recent update completed in 2021. The plan articulates a 30-year goal of constructing 1,980 new units in Juneau, with an annual goal of 66 new units.
- CBJ created a Chief Housing Officer position in 2016.
- CBJ has worked on increasing land access by adopting the Land Management and Implementation Strategy in 2016.
- Development of a number of direct funding programs to encourage housing development, including the Accessory Apartment Grant Program, Mobile Home loan program, and tax abatement programs.

Housing data is sending mixed signals about market conditions:

- Rental costs decreased slightly between 2015 and 2019. Both average and median adjusted rental rates declined by about 3% (adjusted rates include estimated utilities costs).
- Between 2015 and 2019 the average single family home sale value went up, jumping from \$365,000 to \$407,000. Average sales value increased again in 2021, rising to \$476,000.
- Based on building permit data, 717 housing units were added to Juneau's inventory between 2015 and 2020. That includes 341 single-family homes and 376 multi-family units. Meanwhile, Juneau's population has declined slightly.

## Areas of New Growth

Juneau's economy has shown strength in areas not specifically identified in the 2015 JEP. One key example is economic activity associated with Alaska Native entities. This includes Southeast Alaska Regional Health Consortium (SEARHC), CCTHITA, Sealaska Heritage Institute, Sealaska Corporation, Goldbelt, Huna Totem, and others. Together these entities are a powerful economic force in Juneau. Because these organizations are spread throughout the economy in health care, tourism, governance, and other sectors, it is difficult to comprehensively quantify employment and other economic impacts. These entities collectively account for well over 1,000 jobs in Juneau, with SEARHC and CCTHITA now among the largest employers in the community. Juneau could benefit from a better understanding of the unique and interconnected role these organizations play in the local economy.

## Summary

The need to make Juneau a more affordable, accessible, and attractive place to live was a common thread running through many of the 2015 JEP initiatives. These broad goals remain key to Juneau's future. Made worse by the pandemic, labor force shortages are a challenge in Juneau and across the nation. Affordable housing, quality schools, affordable child care, and robust senior services are key. Preserving and enhancing recreational, arts, and entertainment

opportunities, along with other quality of life attributes are part of the recipe to attract and retain a necessary workforce.

This report documents the breadth and depth of the community's work to strengthen the economy and enhance quality of life in Juneau. While not all community efforts will be directly evident in economic development metrics, there is little doubt the community is stronger than it would be absent those efforts.

# Introduction

## Scope of Work

In 2015, the City and Borough of Juneau undertook a significant planning effort, resulting in the Juneau Economic Plan (JEP). The 2015 effort was guided by four overarching economic development goals:

- **Build a more resilient and diversified economy**
- **Provide infrastructure that supports and strengthens the economy**
- **Leverage natural, competitive advantages to create new wealth**
- **Preserve or enhance quality of life attributes that are closely tied with community economic well-being**

The purpose of this JEP Update is to assess progress on each economic development initiative identified in JEP. It considers:

- Key actions taken, if any, in pursuit of each initiative since 2015
- Measurable progress toward each objective, as indicated by specific milestones and metrics identified in JEP
- Barriers to progress encountered since 2015

## Summary of 2015 JEP Initiatives and Metrics

The 2014-15 JEP planning process yielded a set of eight priority economic development initiatives and supporting goals; 36 key objectives to drive those initiatives forward; and specific milestones or metrics for each objective.

Juneau Economic Development Initiatives (2015)
• <i>Enhance Essential Infrastructure</i>
• <i>Build the Senior Economy</i>
• <i>Attract and Prepare the Next Generation Workforce</i>
• <i>Recognize and Expand Juneau's Position as a Research Center</i>
• <i>Build on Our Strengths</i>
• <i>Protect and Enhance Juneau's Role as Capital City</i>
• <i>Revitalize Downtown</i>
• <i>Promote Housing Affordability and Availability</i>

## Enhance Essential Infrastructure

Support transportation infrastructure-related policies and developments that will provide access to developable land and control or lower the cost of freight shipment into and out of Juneau.

- Proceed with extension of North Douglas Highway and North Douglas/Gastineau Channel Bridge construction to realize the residential, commercial, trans-shipment, maritime, industrial, and recreational potential of West Douglas
- Engage in planning, policy-making, and monitoring activities necessary to ensure that marine freight service to and from Juneau is high-quality and the most affordable possible

## Build the Senior Economy

Facilitate development of the services and facilities necessary for residents to comfortably and affordably retire in Juneau.

- Support development of a range of housing options and support services that meet the needs of Juneau's senior population
- Increase the depth and breadth of local, skilled health care workers and services for seniors

## Attract and Prepare the Next Generation Workforce

Attract and prepare the professional, technical, skilled, entrepreneurial, and creative labor force that Juneau's diverse employers, businesses, and non-profits need.

- Develop a better understanding of professional, technical, and other workforce needs of Juneau's key employers, especially state government
- Increase availability of child care year round, with an emphasis on Kindergarten readiness
- Support and maintain quality of life infrastructure that attracts and retains a desired workforce
- Prioritize an education system that prepares youth to participate successfully in the Juneau workforce, in vocational and professional jobs

## Recognize and Expand Juneau's Position as a Research Center

Take advantage of Juneau's natural assets and competitive advantages by making tighter connections to basic and applied research, funding, and employment. Strengthen links between Juneau's scientists, researchers, and businesses.

- Locate Alaska fisheries science and management jobs in Juneau
- Better connect Juneau's scientists and researchers with business and industry. Conduct applied research to benefit local business' ability to compete and expand

## Build on Our Strengths

**Build on our strengths to expand business opportunities where we have natural and competitive advantages.**

- Increase independent visitor travel to Juneau
- Create more value from seafood and other maritime resources and services
- Build Juneau's role as a regional arts and culture hub

## Protect and Enhance Juneau's Role as Capital City

**Maintain state government employment and real wages in Juneau and "brand" Juneau as a great Capital City.**

- Make Juneau the best possible Capital City
- Brand and market Juneau as a desirable place to live, work, raise a family, and start a business. Focus brand on Juneau as Alaska's Capital, a center for science and research, a vibrant arts and culture destination, and a place with diverse recreational assets and opportunities

## Revitalize Downtown

**Revitalize Downtown, building the link between economic vitality and livable, mixed-use neighborhoods.**

- Develop and implement a CBJ downtown improvement strategy

## Promote Housing Affordability and Availability

**Break down the housing barriers that are dampening economic growth.**

- Complete a Housing Action Plan, with follow-up actions. Set goals for "starter" and affordable housing, senior housing, as well as special populations downtown



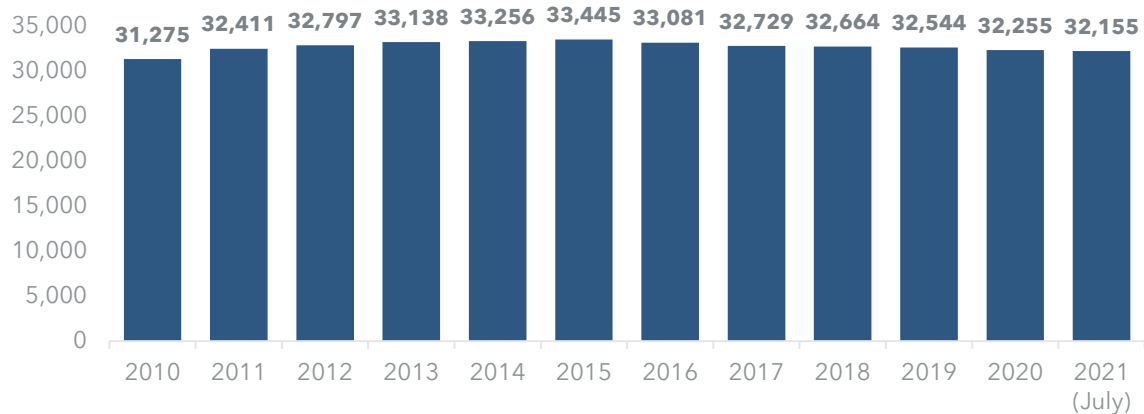
# Chapter 1: Trends in Juneau's Economy

This chapter provides a high-level overview of trends in Juneau's economy prior to onset of pandemic in early 2020. Data and analysis are also provided for 2020 and 2021, which reflect some of the economic impacts of the pandemic. For a comprehensive analysis of pandemic impacts, see McKinley Research Group's September 2021 report *"Impact of the COVID-19 Pandemic on Juneau's Economy,"* prepared for CBJ.

## Population

While Juneau's population in 2021 was 3% above that of 2010, it has been on a slow downward trend since it peaked in 2015, declining by 1,290 residents between 2015 and 2021, a 4% decrease. Over the same period Alaska's population declined by 1%.

**Figure 1. Juneau Population, 2010 to 2021**



Source: Alaska Department of Labor and Workforce Development

Since 2015, 1,901 more people have left Juneau than have moved to Juneau. Natural population increase (births outnumbering deaths) has partially offset population decline.

**Table 1. Juneau Population and Population Change by Year, 2010 to 2021**

Year	Population	Change	% Change
2010	31,275	329	1.1%
2011	32,411	1,136	3.5%
2012	32,797	386	1.2%
2013	33,138	341	1.0%
2014	33,256	118	0.4%
2015	33,445	189	0.6%
2016	33,081	-364	-1.1%
2017	32,729	-352	-1.1%
2018	32,664	-65	-0.2%
2019	32,544	-120	-0.4%
2020	32,255	-289	-0.9%
2021 (July)	32,155	-100	-0.3%

Source: Alaska Department of Labor and Workforce Development

**Table 2. Components of Juneau Population Change, 2010 to 2020**

Year	End of Period Population	Change	Growth Rate	Births	Deaths	Natural Increase	Net Migration
April 2010-July 2010	31,549	274	3.5%	98	37	61	213
2010-11	32,411	862	2.7%	411	153	258	604
2011-12	32,797	386	1.2%	364	180	184	202
2012-13	33,138	341	1.0%	399	175	224	117
2013-14	33,256	118	0.4%	405	175	230	-112
2014-15	33,445	189	0.6%	382	193	189	0
2015-16	33,081	-364	-1.1%	381	204	177	-541
2016-17	32,729	-352	-1.1%	354	178	176	-528
2017-18	32,664	-65	-0.2%	328	201	127	-192
2018-19	32,544	-120	-0.4%	333	193	140	-260
2019-April 2020	32,255	-289	-1.2%	226	135	91	-380

Source: Alaska Department of Labor and Workforce Development

# Employment and Income

## Employment

Wage and salary employment in Juneau declined by about 1% between 2015 and 2019, with several sectors experiencing greater decline:

- State government employment declined 10% between 2015 and 2019, a loss of over 400 jobs
- Retail employment was down 110 jobs, a 6% decline between 2015 and 2019
- Financial activities employment was down 10%, a loss of 51 jobs
- Information services employment was down 15% (44 jobs)

The visitor industry was a bright spot in the jobs picture. Scenic and sightseeing employment doubled between 2015 and 2019, reflecting growth in cruise traffic. Scenic and sightseeing employment is included in the Transportation & Warehousing sector, which gained nearly 400 jobs between 2015 and 2019.

**Table 3. Juneau Employment by Industry, 2010, 2015, 2019, and 2020**

	2010	2015	2019	2020	% Change - 2015-19 -	% Change 2010-19
<b>Total Industries</b>	17,932	18,123	17,957	15,872	-0.9%	0.1%
<b>Total Government</b>	7,436	7,009	6,719	6,587	-4.1%	-9.6%
<b>Federal Government</b>	840	693	665	710	-4.0%	-20.8%
<b>State Government</b>	4,276	4,097	3,671	3,528	-10.4%	-14.1%
<b>Local Government</b>	2,320	2,219	2,383	2,349	7.4%	2.7%
<b>Private Ownership</b>	10,496	11,113	11,238	9,285	1.1%	7.1%
<b>Mining</b>			863	804	-	-
<b>Construction</b>	729	702	623	682	-11.3%	-14.5%
<b>Manufacturing</b>	279	326	370	321	13.5%	32.6%
<b>Retail</b>	1,996	1,935	1,825	1,580	-5.7%	-8.6%
<b>Transportation &amp; Warehousing</b>	1,024	1,036	1,431	735	38.1%	39.7%
<b>Information</b>	245	288	244	227	-15.3%	-0.4%
<b>Financial Activities</b>	608	508	457	447	-10.0%	-24.8%
<b>Professional &amp; Business Services</b>	918	1,083	1,019	856	-5.9%	11.0%
<b>Health Care &amp; Social Assistance</b>	1,767	1,695	1,611	1,496	-5.0%	-8.8%
<b>Leisure &amp; Hospitality</b>	1,464	1,739	1,730	1,139	-0.5%	18.2%

Source: ADOLWD

The Bureau of Economic Analysis (BEA) provides a measure of jobs in Juneau that includes self-employment and shows an overall increase in employment of 1.3% between 2015 and 2019, driven largely by 5.8% increase in self-employment.

**Table 4. Juneau Employment, Including Self-Employment, 2010, 2015, 2019, and 2020**

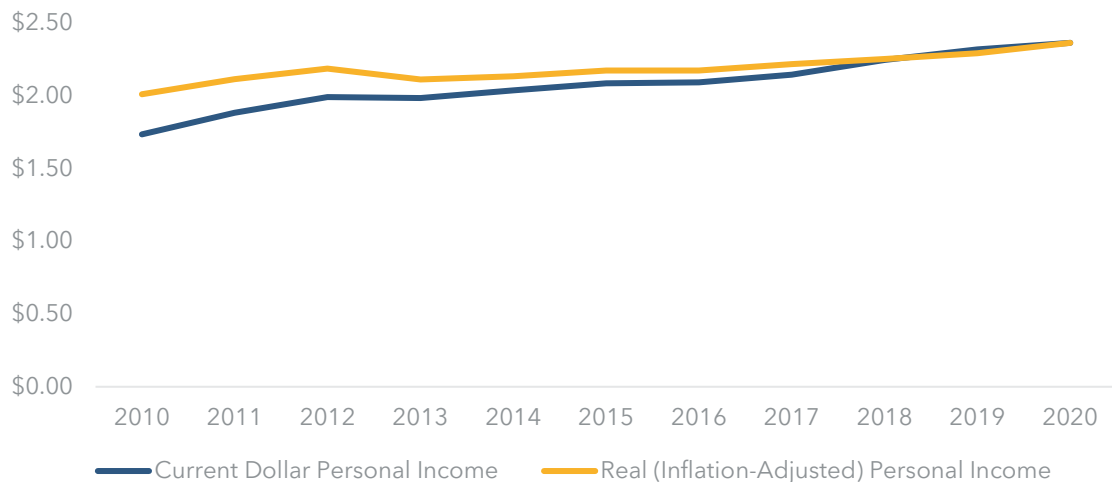
	2010	2015	2019	2020	% Change - 2015-19 -	% Change 2010-19
Total Employment	23,258	23,323	23,635	21,408	1.3%	1.6%
Wage and Salary Employment	18,591	18,639	18,679	1,6588	0.2%	0.5%
Self-Employment	4,667	4,684	4,956	4,820	5.8%	6.2%

Source: Bureau of Economic Analysis

## Personal Income

Including wage and salary income, government benefits, dividends, and other sources of personal income, Juneau residents had \$2.36 billion in total personal income in 2020, up slightly from \$2.32 billion in 2019 (with growth driven by a sharp increase in pandemic-related transfer payments). In terms of real, inflation-adjusted dollars, personal income increased 5% between 2015 and 2019, a gain of \$120 million in annual income.

**Figure 2. Total Personal Income (in billions), 2010-2020**



Source: Bureau of Economic Analysis

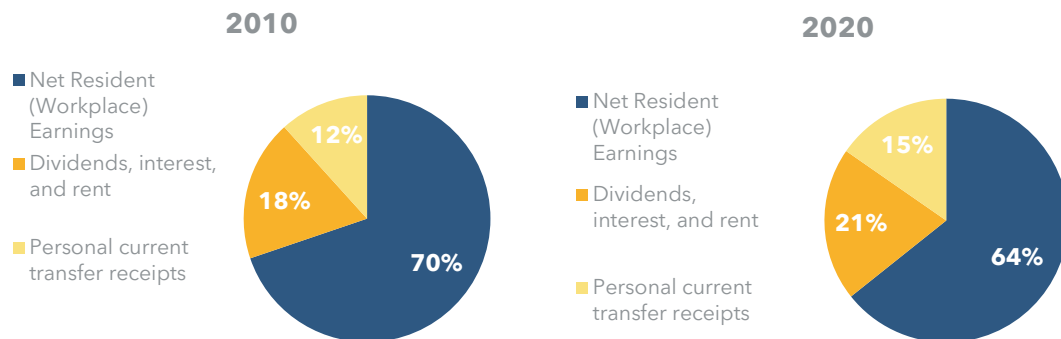
**Table 5. Total Personal Income in Juneau (in billions), 2010-2020**

	Current Dollar Personal Income	Real (Inflation-Adjusted) Personal Income
2010	\$1.73	\$2.01
2011	\$1.88	\$2.11
2012	\$1.99	\$2.19
2013	\$1.98	\$2.11
2014	\$2.04	\$2.13
2015	\$2.08	\$2.17
2016	\$2.09	\$2.17
2017	\$2.14	\$2.22
2018	\$2.24	\$2.25
2019	\$2.32	\$2.29
2020	\$2.36	\$2.36

Source: Bureau of Economic Analysis

Juneau has been experiencing a gradual long-term decline on the relative importance of workplace earnings in total personal income. Personal income from workplace earnings decreased from 70% to 66% between 2010 and 2019. Pandemic-related relief pushed the percentage down to 64% in 2020.

**Figure 3. Total Personal Income in Juneau by Source, 2010 and 2020**



**Table 6. Total Personal Income in Juneau by Source (in billions of current dollars), 2010-2020**

	Net Resident (Workplace) Earnings	Dividends, Interest, and Rent	Personal Current Transfer Receipts	Total
2010	\$1.21	\$0.32	\$0.20	\$1.73
2011	\$1.29	\$0.38	\$0.21	\$1.88
2012	\$1.38	\$0.41	\$0.20	\$1.99
2013	\$1.37	\$0.41	\$0.20	\$1.98
2014	\$1.37	\$0.42	\$0.24	\$2.04
2015	\$1.40	\$0.43	\$0.25	\$2.08
2016	\$1.42	\$0.44	\$0.24	\$2.09
2017	\$1.43	\$0.46	\$0.25	\$2.14
2018	\$1.50	\$0.47	\$0.28	\$2.24
2019	\$1.54	\$0.49	\$0.29	\$2.32
2020	\$1.52	\$0.48	\$0.36	\$2.36

Source: Bureau of Economic Analysis

Per capita personal income increased 13% between 2015 and 2019 in current dollars, and 7% in real dollars. As of 2020, Juneau per capita income was 25% above the US average of \$59,510.

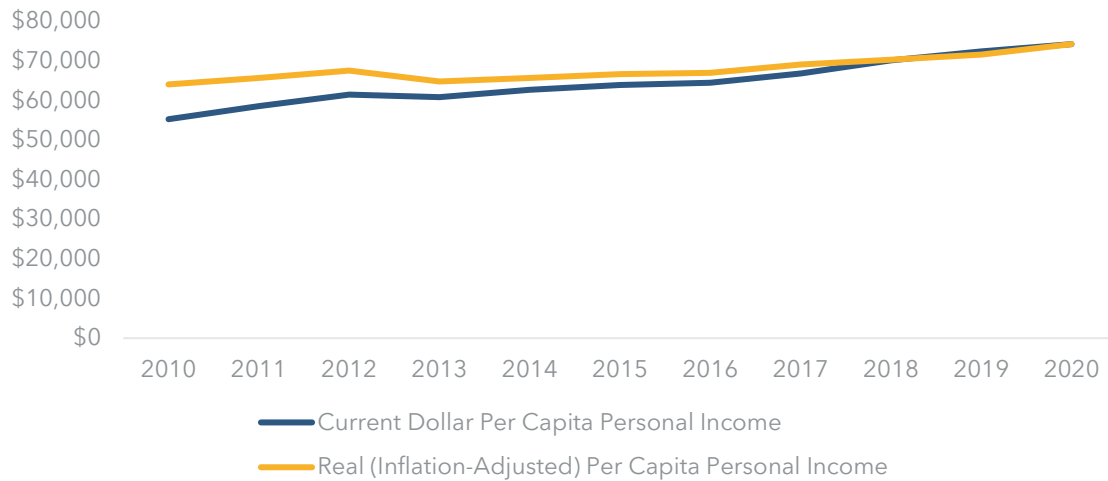
**Table 7. Per Capital Personal Income in Juneau, Current Dollar and Real, 2010-2020**

Year	Current Dollar Per Capita Personal Income	Real (Inflation-Adjusted) Per Capita Personal Income
2010	\$55,231	\$64,007
2011	\$58,493	\$65,673
2012	\$61,434	\$67,472
2013	\$60,813	\$64,756
2014	\$62,628	\$65,631
2015	\$63,846	\$66,567
2016	\$64,444	\$66,906
2017	\$66,780	\$69,001
2018	\$70,052	\$70,241
2019	\$72,294	\$71,496
2020	\$74,162	\$74,162

Source: Bureau of Economic Analysis



**Figure 4. Per Capita Personal Income in Juneau, Current and Real Dollars, 2010-2020**

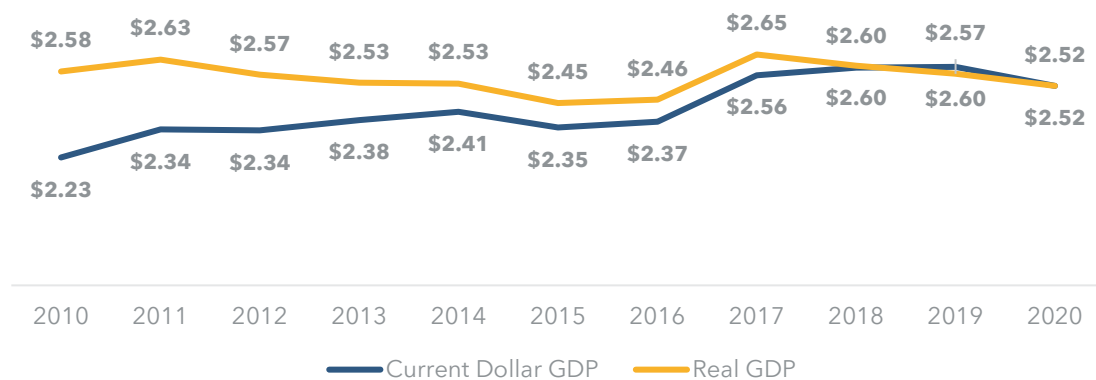


Source: Bureau of Economic Analysis

## Gross Domestic Product

The broadest measure of Juneau's economy, gross domestic product (GDP), shows an economy that has changed little in the past decade. Juneau's real GDP in 2019 was \$2.57 billion, nearly in line with the 2010 to 2019 average of \$2.56 billion and the 2015-2019 average of \$2.55 billion. GDP is a measure of the total value of the final goods and services produced in Juneau.

**Figure 5. Juneau Gross Domestic Product (in billions), 2010-2020**

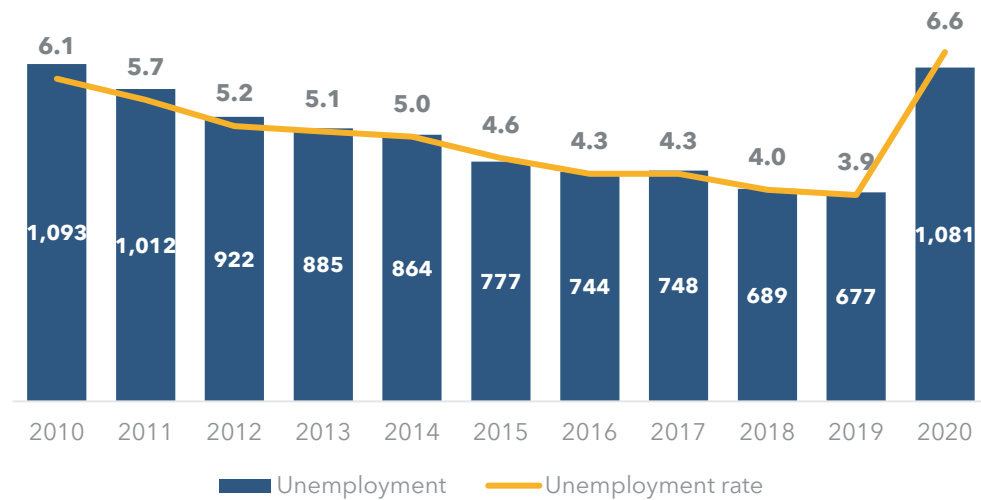


Source: Bureau of Economic Analysis

## Unemployment

Juneau's unemployment rate trended down from 2010 to 2019, from 6.1% to 3.9%, before spiking in 2020. The 2020 average unemployment rate of 6.6% masks monthly rates as high as 11%.

**Figure 6. Number of People Unemployed and Annual Unemployment Rate, Juneau - 2010-2020**



Source: Bureau of Economic Analysis

# Progress Toward Economic Plan Goals

It is not possible within the scope of this project to document all work done since 2015 related to JEP-related initiatives. This high-level assessment is based on data analysis and executive interviews, highlighting key metrics (when available) and notable projects associated with each of the eight initiatives.

## Enhance Essential Infrastructure

### Summary

The initiative to Enhance Essential Infrastructure focuses on increasing access to undeveloped land, as well as policy development that supports expansion of Juneau's transportation infrastructure and lowers the cost of freight shipment in Juneau. Three projects were identified in the plan that could increase access to high-value, locally controlled assets and lower costs. These projects included the Pioneer Road extension, the second Douglas Island crossing, and improved freight service. The specific objectives identified in the plan are:

- Proceed with extension of North Douglas Highway, and North Douglas/Gastineau Channel Bridge construction to realize the residential, commercial, transshipment and maritime, industrial, and recreational potential of West Douglas
- Engage in planning, policy-making, and monitoring activities necessary to ensure that marine freight service to and from Juneau is high-quality and the most affordable possible

### PIONEER ROAD

#### *Barriers*

Development in areas off of the current road system in Juneau, such as the Point Hilda area or the proposed deep-water port on Douglas, are limited by a lack of infrastructure investment. The first phase of the West Douglas Pioneer Road project was completed out to Middle Creek, but the cost of further extending the road and installing the necessary infrastructure to permit development has been a barrier to additional development planning by CBJ, Goldbelt, or other entities. Further development in the area will require the construction of several bridges, as well as installation of utilities (water, power, and sewer), and curbs and gutters. One stakeholder reflected that any large project in Juneau needs a catalyst (for example, grant funding or City or private investment), and until a significant investment happens, development is unlikely to proceed.

### *Progress*

The City and Borough of Juneau owns approximately 3,500 acres of land on Douglas Island between Outer Point and Point Hilda. This area has long been viewed as a potential area of growth for Juneau. Construction of a road extension from North Douglas Highway to Point Hilda is intended to provide access to support development of the area. Construction of the first 3.5 miles of Pioneer Road was completed in 2018<sup>3</sup> and was funded by a \$2.9 million grant from DCCED.

The initiative to enhance essential infrastructure called for CBJ to extend the City's MOA with Goldbelt to facilitate a land swap so that the road could be constructed on public land. Since 2015, it was found that the extension of this agreement was not needed because the planned route crossing Goldbelt land was denied in order to protect wetlands in the area, and the route was altered so that the road is entirely on CBJ land.

The establishment of a West Douglas Task Force, included in the plan as one of the metrics for the North Douglas Highway extension and the second crossing, was not pursued due to lack of funding for infrastructure, and thus there was no need to convene these stakeholders.

Due to the lack of infrastructure in the area, Goldbelt has not proceeded with plans for development near Point Hilda. Goldbelt has worked with Docks and Harbors on a plan for a small cruise terminal, but has no plans to proceed with the project at this time. Goldbelt has also considered potential construction of a ferry terminal at the end of the road in Juneau which would accommodate a vehicle and passenger ferry to Skagway and Haines.

## **SECOND CROSSING**

### *Barriers*

Stakeholders believe that some of the barriers to progress on the second crossing project have been the significant cost of the project, lack of funding, the environmental challenges with potential locations, concerns that this project will displace other infrastructure improvements in Juneau, and mixed community support for the project.

### *Progress*

Recent progress toward a North Douglas bridge includes ADOTPF's current work on the Planning and Environmental Linkages (PEL) study for the second crossing, which will identify the best locations for the bridge. The PEL study is expected to be completed in 2023. A \$2.5 million federal grant was secured to fund the study. CBJ, which provided \$250,000 in matching funds appropriated from sales taxes, is part of a working group with ADOTPF, and will be involved in

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<sup>3</sup> The 2.4-mile phase 1 was completed in 2018 and the 1.1-mile phase 2 was completed in 2018.

public process meetings with stakeholders, scheduled for May 2022. One community member noted the connection between the two infrastructure projects, with the possibility that construction of the second crossing could revive a Goldbelt proposal to develop a deepwater port in the back side of Douglas.

## FREIGHT COSTS

### *Barriers*

Interview participants stated that freight costs remain a barrier to business growth and development. In addition to cost, lack of infrastructure investment for terminals was also reported to be a challenge. With no shared or public ownership of terminals, the sole options of renting terminal access or building terminals is very costly and limits the number of freight carriers who will enter the market.

### *Progress*

In 2017, the Chamber and CBJ funded a study, *Juneau Business Freight Survey*, conducted by McDowell Group. The study included a survey of Juneau businesses and organizations and was designed to identify barriers to business development associated with freight transportation into and out of Juneau. Reduction of freight costs was identified as a priority for Juneau businesses, especially for local, non-national businesses that are not able to spread their costs across other markets in which they operate.

To advance this initiative, the Chamber led a working group to identify opportunities to improve the quality and affordability of freight service in Juneau. This working group engaged with AML, Samson Tug and Barge, and a third company that was invited to set up operations in Juneau. This process helped identify some of the issues for freight carriers in the Southeast Alaska market and elsewhere in the state (high costs, distance between communities, and low freight volume compared to other markets), but these efforts did not succeed in attracting another freight operator for the region.

Interviewees suggested the following recommendations to further this initiative:

- **Establish a transportation infrastructure steering committee** to set a consistent direction and encourage progress, and schedule annual (or more frequent) convenings of the economic planning group
- **Build community support for transportation infrastructure projects** through a robust public process and effectively communicating the potential for positive impacts

# Build the Senior Economy

## Summary

The initiative to Build the Senior Economy focuses on the community's need to increase affordable housing options, health care, and support services for residents to comfortably and affordably retire in Juneau. Specific objectives include:

- Support development of a range of housing options and support services that meet the needs of Juneau's senior population
- Increase the depth and breadth of local, skilled health care workers and services for seniors

While the population of Juneau grew by just 3% between 2010 and 2020, the population age 60 and over increased 51%, from 4,495 to 6,795 residents. The number of older seniors (age 70 or over) increased 71%.

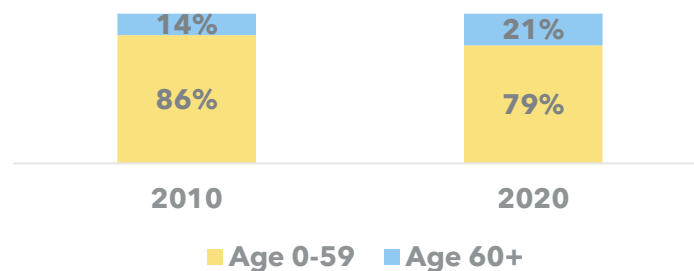
**Table 8. Total Juneau Population by Age Range, 2010, 2015, and 2020**

	2010	2015	2020*	2020**	Rate of growth, 2010 to 2020	Rate of growth, 2015 to 2020
Total population	31,275	31,162	31,773	32,255	3%	4%
Age 0-59	26,780	27,237	24,985	25,460	-5%	-7%
Age 60+	4,495	5,925	6,788	6,795	51%	15%
Age 60-69	2,915	3,891	4,073	4,088	40%	5%
Age 70+	1,580	2,034	2,715	2,707	71%	33%

\*ADOLWD annual estimate. \*\*2020 Census-based revised data.  
Source: ADOLWD

Juneau's population has shifted older since 2010, with seniors now representing one in five Juneau residents (21%), up from 14% in 2010.

**Figure 7. Percent of Juneau Population by Age, 2010 and 2020**



Source: ADOLWD



## MEASURING SENIOR NEED

In 2019, CBJ funded a Juneau Senior Needs Survey, which was completed by Juneau Economic Development Council (JEDC) in partnership with the Juneau Commission on Aging. The survey provides an in-depth assessment of the needs and concerns of Juneau's senior population and reaffirmed that availability of affordable assisted living is a key issue for Juneau, along with services to help residents continue to live independently in their own homes.

## SENIOR HOUSING

### *Barriers*

Juneau's tight housing market presents a significant obstacle to progress on accessible senior housing. The lack of accessible housing (both Class A - fully accessible and Class B - easily modifiable) that will allow seniors to age in place, coupled with the issue of housing affordability, affects other Juneau residents, including seniors and the health care workers who serve them. Stakeholders reported that social service agencies and the City do not always work in a coordinated way on senior issues.

### *Progress*

Progress on the senior housing objective includes the construction the 49-unit Trillium Landing, for people aged 55 and above. A new 88-bed senior assisted living facility is underway with a planned opening in the fall of 2023. CBJ's Housing Chief, the Lands and Resources Office, Finance Department, and Community Development Department were involved in the public-private partnership with Torrey Pines Development Group to find a developer to build the River View facility in the Vintage Park subdivision.

To support this project, in July 2019 the Juneau Assembly passed a tax abatement ordinance to address senior housing goals. The ordinance provides property tax abatement for twelve years for assisted living developments that create 15 or more new residential units. In August 2019, CBJ purchased 2.35 acres of vacant land in the Vintage Business Park dedicated for senior assisted living. CBJ also secured \$2 million in grant funds to provide a cash incentive to the developer. According to the proposed terms, the developer will pay for the property over a 20-year period.

However, beyond the new assisted living facility, no significant progress has been made to increase the supply of accessible housing or graduated care options for Juneau seniors. Fireweed Place was described by interview participants as no longer affordable, and one wing of Wildflower Court, a long-term care facility with 57 beds, was closed in October 2021 due to staff shortages, reducing the number of beds by about one-third.

Stakeholders said they believe there is a critical and increasing need in Juneau for a range of service options to help seniors age in place. Depending on an individual's needs, these may

include congregate or home-delivered meals, transportation, activities, home health, medication monitoring, housekeeping, snow removal, and housing maintenance. Housing maintenance for seniors was described as an issue impacting all residents because when a house falls into disrepair it may be lost to the housing market entirely.

In 2019, the Senior Citizen Support Fund was established at the Juneau Community Foundation to support services and amenities for senior citizens. The fund was created by Senior Citizen Support Services, Inc. (SCSSI) which transferred \$125,000 in cash assets to the Foundation upon the organization's dissolution.

The Juneau Commission on Aging has been working on an application to receive AARP's designation as a certified "Age Friendly" community, which will require the City to develop a Master Plan for Aging. To receive the Age Friendly designation, communities are not required to have achieved age-friendliness, but they must commit to working on improvements in safety, transportation, and public spaces to accommodate seniors. Membership in the Age Friendly Network would allow Juneau to be included in the AARP Age Friendly community directory, receive technical assistance, and participate in assessment, planning, implementation, and evaluation processes provided through the program.

## **HEALTH CARE WORKFORCE FOR SENIORS**

### ***Barriers***

Health care provider staff shortages affect all Juneau residents, and the lack of medical specialists and geriatric care providers has been a longstanding issue in the community. The pandemic has increased competition for health care professionals in the national job market, and Juneau health care organizations are increasingly reliant on travel staffing.

### ***Progress***

A community with a robust senior economy needs a healthcare workforce that can care for seniors' needs. Stakeholders do not believe there has been significant progress on the health care shortage issue since 2015. As one interview participant from a local social services agency said, "The issues around health care in general, and senior care specifically, were at crisis levels before and have only been exacerbated by the pandemic."

A representative from the hospital noted that the lack of available beds at Wildflower Court and the Pioneer Home causes issues for the hospital and patients of all ages when seniors who need aftercare are waiting to be discharged, but do not have a place to go. Bartlett Hospital has responded to Wildflower Court's recent bed reduction by creating a program to provide Certified Nurse Assistant (CNA) training.

One interview participant would like to see CBJ get involved in the recruitment of health care providers, similar to the City's efforts to attract independent tourists. Another suggested that

CBJ could create a centralized department to coordinate with other agencies on housing, health care, and other issues relevant to building a senior economy, to reduce the silos in which social services agencies, health care employers, and the City are currently operating.

## Attract and Prepare the Next Generation Workforce

### Summary

The initiative to Attract and Prepare the Next Generation Workforce focuses on training, recruitment, and retention of a skilled labor force able to meet Juneau's growing and diverse workforce needs. The initiative focuses on four objectives:

- Develop a better understanding of the professional, technical, and other workforce needs of Juneau's key employers, especially state government
- Increase availability of child care year round, with an emphasis on kindergarten readiness
- Actively support and maintain quality of life infrastructure that attracts and retains a desired workforce
- Prioritize an education system that prepares youth to participate successfully in the Juneau workforce, in vocational and professional jobs

### Emerging Themes

#### RECRUITMENT

##### *Barriers*

While lack of affordable housing and child care were identified as challenges related to several initiatives, they came up particularly frequently as barriers to recruitment. Employers cited cost and availability of housing, cost of relocation, cost and availability of child care, and general cost of living issues as the top barriers to recruiting employees. Employers also referenced the challenges around quickly shifting their workforce to remote work environments and shared that when remote work options are not offered, applicant pools are particularly limited.

Industry representatives also cited challenges related to the nationwide worker shortage. Some stakeholders expressed that it is a reflection of societal and cultural shifts happening in the workforce, including employee concerns about wages failing to keep up with inflation, high costs of living in general, and high costs of health care and child care.

##### *Progress*

Despite challenges, Juneau has achieved a number of successes in recruitment efforts. Among Juneau's strengths, employers noted that Juneau's natural beauty, ski area, and abundant

cultural opportunities have made Juneau an attractive community for prospective employees. Stakeholders shared that these qualities have helped draw individuals who work in person for Juneau-based employers, as well as Juneau-based remote workers. Juneau offers high-speed internet access in comparison to more rural and remote communities in the region, making it a natural regional hub and base for a remote work economy. Employers also attributed some recruiting success to “Grow Our Own” initiatives.

The CBJ Assembly and others have invested significant time and resources into addressing Juneau’s child care challenges. In November 2018, Mayor Weldon created the Assembly Childcare Committee to consider CBJ’s role in supporting child care services in Juneau. The committee delivered a final report with recommendations on April 19, 2019.<sup>4</sup>

While child care continues to pose a challenge to many working families, employers and non-profits affiliated with the child care industry cited some successes for child care centers in their efforts to remain operational despite Covid-19-related challenges. Of particular note was the City and Borough of Juneau’s \$1 million appropriation which contributed to child care wage increases, workforce development, and incentivized child care provider licensing. CBJ’s more recent \$625K in funds dedicated to child care was noted as an important factor in availability of child care slots. Additionally, Juneau became one of just 49 cities nationally to dedicate funds for childcare.

*“When we look at the big picture, we know childcare is a broken business model, it can’t exist in a free market, so we have to start accepting that it cannot exist in a high-quality manner without public investment.”*

## RETENTION

### *Barriers*

Employers and industry representatives reported retention challenges related to Covid-19, with one human resources professional referring to “The Great Resignation.” Interviewees cited a number of barriers to retaining employees, including lack of child care, lack of elder care, cost of living, and employer policies related to Covid-19, particularly inflexible remote work policies.

### *Progress*

Despite challenges to employee retention, stakeholders also cited Juneau’s many local attractions and features as being major contributors to local quality of life and reasons for individuals and families to stay in Juneau. As well as desirable K12 school opportunities, interviewees referenced Juneau’s cultural offerings as one of its many strengths, including being

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<sup>4</sup> <https://juneau.org/wp-content/uploads/2019/04/Final-Childcare-Committee-Report-4.19.19.pdf>

a Pacific Northwest arts and culture hub; hosting frequent symphony, jazz, and folk events; and being home to the Alaska State Museum. Additionally, Juneau's identity as a world-class location for hunting, fishing, hiking, skiing, trail running, and other types of outdoor recreation continues to rise to the top of employees' reasons for calling Juneau home.

As well as recognizing Juneau's cultural and outdoor offerings, local employers attribute success with retention to the following:

- Internal career ladders including professional development access and support
- Generous retirement and benefit packages
- Cost of living adjustments and competitive pay scales
- Flexible remote work policies
- Solicitation of employee feedback and responsive workplace policies

## **SHIFTING WORK CULTURE**

### ***Barriers***

Many industry representatives mentioned the sudden and continuous impacts of Covid-19 not only to the availability of a labor force, but the demands employees have made of employers. Employers report requests for flexible remote work schedules, reimbursement for home office equipment and broadband, and schedules responsive to school closures and elder care needs.

### ***Progress***

Local employers cited a number of successes with hiring and retention, attributed in part to their ability to rapidly adapt to an evolving remote work culture. Employers noted the importance of transparency in decision making, frequent and clear communication about policies, and specialized training for managers and supervisors. Local stakeholders also shared potential innovations that other businesses, non-profits, and municipalities are piloting including relocation incentives for remote workers.

## **TRAINING AND EDUCATION**

### ***Barriers***

While Juneau residents have access to many robust education and training programs, stakeholders frequently cited unstable funding as having significant and continued impacts on University of Alaska enrollment and program offerings.

### ***Progress***

University of Alaska Southeast (UAS) continues to offer a range of maritime, diving, mine training, nursing, construction technology, and other programs. UAS recently launched a fully virtual

Behavioral Health Occupational Endorsement Program, and is now exploring the possibility of an Ecotourism Occupational Endorsement Program. UAS faculty members are working with colleagues and students on research grants, and the Outdoor Studies and Alaska Native Studies programs are among many that continue to draw students to the Juneau campus.

Several community partners are applying for a federal Good Jobs Challenge Grant which would bring not only funding and workforce development support, but also new collaborations and partnerships among community organizations.

Additionally, Central Council of Tlingit and Haida Indian Tribes of Alaska (CCTHITA) is in the process of implementing its “cradle to grave” vision for services. Their vision includes infant and child care, early childhood education, youth programs, apprenticeships and job training, small business support, and increased broadband access to support not only tribal citizens, but all community members to have more remote work options while staying in Juneau and more rural Southeast communities. In 2020, CCTHITA supported 436 individuals through scholarship programs, apprenticeships, and other job training and postsecondary support.

Interviewees offered several recommendations to maintain momentum and further advance this initiative:

- **Remove obstacles to affordable housing development** through municipal policy options that incentivize renovation of vacant buildings; re-zoning initiatives to maximize affordable housing; tax incentives for developing affordable housing; and subsidized studio space to draw artists and creative workers
- **Implement market-based policy changes to support affordable housing development** focused on parking requirements, minimum lot size, and other obstructions
- **Establish employer-sponsored child care** modeled after employer-sponsored centers like Gold Creek for City and Borough of Juneau, in coordination with other major local employers such as SEARHC. This would allow the center to be more responsive to the needs of the City and hospital workforce
- **Support comprehensive funding for early childhood education and child care systems** using the Best Starts framework to include PreK and Head Start
- **Consider a city-sponsored child care facility** in the new City Hall development
- **Provide training for managers who supervise a remote workforce**



# Recognize and Expand Juneau's Position as a Research Center

## Summary

The initiative to Recognize and Expand Juneau's Position as a Research Center seeks to optimize Juneau's assets and competitive advantages by increasing research-related funding and employment opportunities, and by linking Juneau's scientists, researchers, and businesses. Two specific objectives related to this initiative were identified in the original Juneau Economic Development Plan:

- Locate Alaska fisheries science and management jobs in Juneau
- Better connect Juneau's scientists and researchers with business and industry. Conduct applied research to benefit local business' ability to compete and expand

McKinley Research Group identified several areas where there has been progress in these areas, along with barriers and areas for improvement.

## Emerging Themes

### ALASKAN RESEARCH JOBS

#### *Barriers*

While Juneau is home to several research programs along with the University of Alaska Southeast Juneau campus, a number of organizations and businesses focused on Alaska fisheries and natural science research are headquartered in the Seattle area, Fairbanks, and elsewhere. Stakeholders expressed the importance of working to make Juneau a research base for the Southeast region, and to explore the possibility of repatriating jobs to this region.

#### *Progress*

Several Juneau-based research institutions and other entities have taken steps to increase infrastructure, jobs, and resources since 2015. These investments continue to strengthen Juneau as a base for research, especially in fisheries, forestry, and climate studies.

- Since 2015, the JEDC-affiliated Research and Development Cluster Working Group has continued its activities and efforts to build research as an economic driver for Juneau and the region. In 2016, the Research and Development Cluster Working Group accepted *Community of Excellence in Research* recognition from the Alaska State Committee for Research on behalf of the Southeast region.
- UAS is pursuing construction of a new facility for environmental science research.

- UAS continues to work closely with industry partners, other education institutions, and state government on developing mariculture research opportunities for what is projected to be a \$100 million industry statewide. This figure was originally a 20-year projection, but with recent significant public investment such as the Southeast Conference-led Build Back Better Regional Challenge Grant (pending \$50M application to the US EDA), the size and pace of the industry is expected to outpace original projections. The University of Alaska will hold the Mariculture for Alaska's Future conference in Juneau in April 2022.
- UAS has continued to expand its research and degree programs in the areas of Indigenous Studies. Two new certificate programs have been launched in Indigenous Language Speaking and Indigenous Language Teaching with support from Sealaska Heritage Institute; a Bachelor of Arts in Indigenous Studies is in review and will offer areas of focus in Language, Art, and Governance.
- Alaska Native Studies faculty at UAS are working across departments to support other faculty members in incorporating Indigenous epistemology and research methodologies to enhance a variety of disciplines and degree programs.
- A joint Marine Policy graduate degree program has been in discussion that would be a partnership between UAF's College of Fisheries and Ocean Sciences and UAS. UAF and UAS also offer the joint Fisheries bachelor degree program.
- In addition to institutional research positions, eleven individuals in Juneau have filed for life science research-related business licenses through the State of Alaska since 2014.
- Since 2015, NOAA has added a Mariculture Research Lead at the Alaska Fisheries Science Center in Juneau, as well as an Aquaculture Coordinator at the Alaska Regional Office.

Other research entities with a presence in Juneau include the UAS Alaska Coastal Rainforest Center, the UAS Spatial Ecosystem Analysis Lab, NOAA, the USFS Pacific Northwest Research Station, USGS, the Juneau Icefield Research Program and the USFS Heen Latinee Experimental Forest.

Additionally, the research vessel Fairweather is being relocated to Ketchikan from Oregon. Stakeholders recommend continuing to work with the Alaska congressional delegation on bringing research assets to Juneau in an effort to cluster these assets and perpetuate economic development in this area.

## Build on Our Strengths

The goal of this initiative is to "expand business opportunities where we have natural advantages," including increasing independent visitor travel to Juneau, creating more value from seafood resources, and building the community's role as a regional art and culture hub.

## Independent Visitor Travel

Independent visitor travel to Juneau was last measured in 2016, as part of the Alaska Visitor Statistics Program (AVSP). Independent visitors include those who arrive either by air or ferry. Summer 2016 non-resident travel to Juneau totaled 78,000 visitors (this is a measure of non-Alaska residents and does not include Alaskans from elsewhere in the state traveling for business or pleasure). The most recent previous generation of AVSP, in 2011, counted approximately 60,000 independent visitors to Juneau.

While there are no counts of independent travel volume to Juneau since 2016, there are other indicators of growth. Total annual bed tax revenues increased from \$1.43 million in FY2016 to \$1.63 million in FY2019, a 14% increase. All forms of overnight travel contribute to bed tax revenues, including non-resident visitors and visitors from elsewhere in the state traveling for personal or business reasons. Nevertheless, the data suggests that independent travel to Juneau increased between 2015 and 2019. Bed tax revenues declined sharply in 2020 due to pandemic-related travel restrictions.

Air carrier traffic data also indicate growth. In 2015 enplanements totaled 285,422. While annual growth in annual enplanements has not been steady, the 2019 total was 328,743. A variety of factors can drive changes in air passenger traffic, but with Juneau's population for this period generally flat, it is likely that an increase in non-resident visitors is driving at least some portion of the growth.

The next detailed estimates of independent visitor travel to Juneau is expected to be available in 2023.

## Value of Seafood Resources

Progress in seafood industry development in Juneau can be measured in terms of local processing value and/or the value of local commercial fishermen's catch.

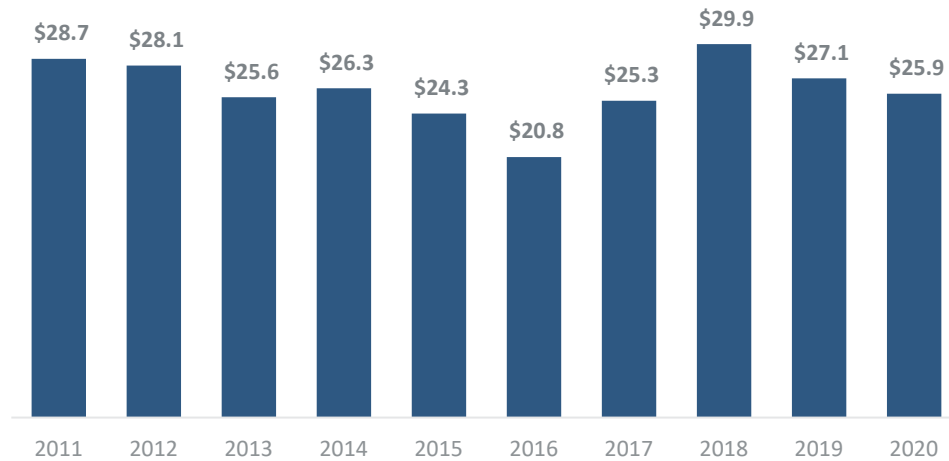
Data on the volume and value of fish landed and processed in Juneau is not publicly available. However, Fisheries Business Tax payments made by local processors provide an indicator of value trends. The State collects a 3% tax on shore-based seafood processing activity which is based on the amount fishermen are paid at the point of processing. Revenues from this Fisheries Business Tax are shared equally with communities impacted by the fishing industry.

Over the past decade, fish tax revenue to CBJ averaged \$393,000 and from 2015 to 2019 averaged \$382,000. This indicates total landed value averages of \$26.2 million and \$25.5 million for the same periods, respectively.

**Table 9. CBJ Fisheries Business Tax Revenue, FY2011-2020 (in thousands)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Tax Revenue	\$431	\$422	\$384	\$395	\$365	\$313	\$380	\$448	\$407	\$389

Source: State of Alaska, Department of Revenue.

**Figure 8. Juneau Seafood Estimated Landing Values (in millions), FY2011-2020**

Source: McKinley Research Group estimates.

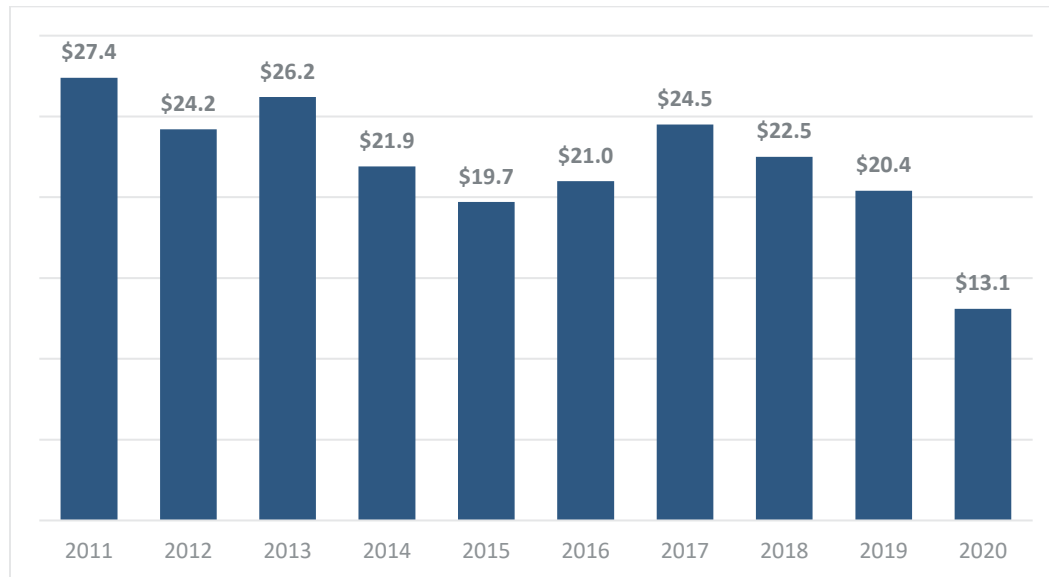
Data from the Commercial Fisheries Entry Commission shows a downward trend in the number of Juneau residents who earn income from commercial fishing. In 2019, 247 Juneau residents fished a limited entry permit, 11% fewer than in 2015. The 2020 figure of 227 was likely substantially affected by the pandemic and therefore not indicative of long-term trends. Harvest values for Juneau's commercial fishermen have varied with changes in prices and run strength, averaging \$22.1 million between 2011 and 2020, and \$21.6 million between 2015 and 2019.

**Table 10. Active Juneau Resident Commercial Fishing Permit Holders, 2011-2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Permit Holders	271	272	276	279	277	276	270	253	247	227

Source: Commercial Fisheries Entry Commission.

**Figure 9. Juneau Commercial Fishermen Total Annual Ex-vessel Earnings (in millions), 2011-2020**



Source: Commercial Fisheries Entry Commission.

## Juneau as Arts and Culture Hub

Juneau has a rich arts and culture scene, with an array of arts-related organizations and events. The Juneau Symphony, Juneau Lyric Opera Company, Alaska State Museum, Sealaska Heritage Institute, Alaska Folk Festival, Juneau Jazz and Classics, Perseverance Theater, Theater in the Rough, and numerous other organizations provide a wealth of opportunities.

A community's art and cultural resources are an increasingly important aspect of attracting and retaining working-age individuals in an increasingly competitive workforce landscape.

## ALASKA NATIVE ARTS AND CULTURE

Sealaska Heritage Institute (SHI) has led Juneau's growth as a hub for traditional Northwest Coast art and cultural preservation. SHI's vision is to "make Juneau the Northwest Coast arts capital of the world." SHI's 6,000 square foot Sealaska Heritage Arts Campus, located adjacent to SHI's headquarters in the Walter Soboleff Building, is nearing completion. The facility will house indoor and outdoor space for artists and classroom space for art programming and instruction.<sup>5</sup> The \$20 million Walter Soboleff Building, completed in 2015, includes a full-sized replica of a clan house, space for display and storage for Tlingit, Haida, and Tsimshian artifacts, a gift shop, and administrative office space.

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<sup>5</sup> <https://www.sealaskaheritage.org/institute/art/sealaska-heritage-arts-campus>

SHI's broader mission is to "perpetuate and enhance Tlingit, Haida and Tsimshian cultures of Southeast Alaska" through a broad range of language and arts programs, scholarships, special events, research, and other activities. SHI's annual Celebration event is Juneau's single largest gathering of visitors and residents, with more than 6,000 attendees and an estimated economic impact in Juneau of \$2 million, including direct and indirect spending.

## Protect and Enhance Juneau's Role as Capital City

Juneau's role as Capital City is a foundation of the local economy. Directly accounting for 3,500 jobs and nearly \$230 million in annual wages, state employment substantially surpasses any other sector in the economy in terms of year-round, high-wage employment. Including indirect and induced employment (the multiplier effects), Juneau's role as Capital City and seat of state government in general accounts for one-third of the local economy.

The goal of this initiative is "maintain state government employment and real wages in Juneau and "brand" Juneau as a great Capital City. Objectives are to "Brand and market Juneau as a desirable place to live, work, raise a family, and start a business. Focus brand on Juneau as Alaska's Capital, a Center for Science and Research, a vibrant arts and culture destination, and a place with diverse recreational assets and opportunities."

A range of activities and programs support this initiative, including on-going efforts to counter calls to move legislative sessions because of Juneau's distance from Alaska's Railbelt population. These efforts include:

- Additional investment in Gavel Alaska, which provides live and recorded coverage of the Alaska legislature and other state government activities. The statewide television service is provided by KTOO and is funded primarily by CBJ, along with support from private businesses and organizations. CBJ's annual contribution increased from \$355,000 to \$450,000.
- The Juneau Community Foundation (JCF) Juneau Capitol Fund was established by Bill and Katie Corbus in late 2014 to "assist and support the City and Borough of Juneau and others to enhance and improve the State Capitol Complex in Juneau." A \$1.25 million grant was used to purchase the Assembly Building at 4th and Seward Streets which was then given to the Alaska State Legislature. Another \$550,000 grant award was given to CBJ to improve Capitol Park which is adjacent to the Legislative Affairs building.

This initiative is closely aligned with other JEP initiatives, including "Attract and Prepare the Next Generation Workforce," "Recognize and Expand Juneau's Position as a Research Center," and "Build on Our Strengths." Part of Juneau's challenge to remain a strong Capital City is to offer the workforce necessary to fill state government positions in Juneau. Attracting and maintaining that workforce is directly related to keeping Juneau a desirable and affordable place to live.

## Trends in State Government Employment

The downward trend in state government employment continued into its 8<sup>th</sup> consecutive year in 2020. State government employment in Juneau averaged 3,528, 776 jobs below the 2012 peak, a total decline of 18%. Some of the drop in 2020 may have been COVID-related.

Data for the first three quarters of 2021 indicate decline of 18 jobs from the same period in 2020. Of more concern is the 3% decline (103 jobs) between the 3<sup>rd</sup> quarter of 2020 and 3<sup>rd</sup> quarter 2021, which is the first quarter of state fiscal year 2022.

**Table 11. State Government Employment in Juneau, Anchorage, and Statewide, 2011-2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juneau	4,272	4,304	4,273	4,269	4,097	3,837	3,746	3,700	3,671	3,528
Anchorage	10,598	10,692	10,740	10,776	10,555	10,157	9,899	9,838	9,695	9,440
Alaska	25,961	26,114	26,276	26,501	25,768	24,562	23,793	23,598	23,257	22,443

State government employment in Alaska has been declining since 2014, dropping by 4,048 jobs, a decline of 15%. Juneau's share of state government is trending down. Ten years ago, Juneau accounted for 16.5% of total state government employment in Alaska. In 2020, Juneau hosted 15.7% of state jobs. Meanwhile, Anchorage's share has increased, from 40.8% to 42.1%.

**Table 12. Juneau and Anchorage Share of Total State Government Employment, 2011-2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juneau	16.5%	16.5%	16.3%	16.1%	15.9%	15.6%	15.7%	15.7%	15.8%	15.7%
Anchorage	40.8%	40.9%	40.9%	40.7%	41.0%	41.4%	41.6%	41.7%	41.7%	42.1%

The picture is much the same for state government wages, which have been trending down along with employment. The \$226 million total wages paid in 2020 was 8% below the 2015 peak of \$247 million. When annual wages are adjusted for inflation, the decline is more pronounced. Real wages are down 13% from a 2013 peak, a real-dollar decline of \$35 million.

**Table 13. State Government Wages in Juneau, Anchorage, and Statewide, 2011-2020 (\$million)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juneau	\$223	237	245	247	245	241	229	226	227	226
Anchorage	543	567	581	588	589	583	558	561	571	580
Alaska	1,329	1,390	1,429	1,452	1,443	1,426	1,348	1,354	1,379	1,388

**Table 14. State Government Wages in Juneau, Anchorage, and Statewide, 2011-2020**  
(\$million, inflation adjusted 2020 dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juneau	\$251	260	261	259	256	250	237	227	224	226
Anchorage	609	623	619	616	614	605	576	563	565	580
Alaska	\$1,492	1,526	1,521	1,522	1,505	1,481	1,393	1,357	1,364	1,388

**Table 15. Juneau and Anchorage Share of Total State Government Wages, 2011-2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juneau	16.8%	17.1%	17.1%	17.0%	17.0%	16.9%	17.0%	16.7%	16.5%	16.3%
Anchorage	40.8%	40.8%	40.7%	40.5%	40.8%	40.9%	41.4%	41.5%	41.4%	41.8%

## Revitalize Downtown

### Summary

The goal of the initiative to Revitalize Downtown was to develop an improvement strategy that will strengthen the economic vitality of downtown businesses and increase the number of people who use downtown by making it a more livable, mixed-use neighborhood.

#### Barriers

Barriers to revitalizing downtown were identified as the current parking ordinance for new construction, the age and condition of buildings downtown, avalanche and flood zones, and the City's limited capacity for grant writing. One City representative also noted that while CBJ can create incentive programs, it does not have authority to direct construction on private property.

#### Progress

### DOWNTOWN PLANNING STUDIES

Starting in mid-2018, CBJ initiated the Blueprint Downtown plan to revitalize downtown Juneau.<sup>6</sup> Blueprint Downtown is a long-term area plan to establish the community's vision, goals, priorities, and action strategies to guide downtown development over the next 20 years. CBJ facilitated the public process and worked with a steering committee with representatives and input from the Downtown Business Association (DBA), the tourism industry, business owners,

<sup>6</sup> <https://juneau.org/wp-content/uploads/2019/07/Final-Blueprint-Downtown-Report-w-Appendix-6.18.19-1.pdf>



and downtown property managers to develop the plan. The Blueprint includes metrics that were part of the 2015 economic plan.

Increasing the availability of residential housing has been identified as another way to improve the year-round vibrancy of Juneau's downtown core. More downtown residents would increase spending at local businesses and increase the number of people beyond the hours of 9 to 5. CBJ conducted the Upstairs Downtown Housing Inventory Story Map project in 2019 to identify vacant spaces in the downtown core that could be used for residential units. The housing inventory was presented to the CBJ Lands Committee in March 2020.

The Upstairs Downtown study found that downtown Juneau is currently experienced primarily as a business district, with 100 business or government buildings, compared to 33 residential buildings. The study identified 181 housing units within the 33 buildings downtown. Since 2017, there have been no new housing units developed in the downtown area, and there are significant barriers to housing development, as described previously.

CBJ also completed a Historic and Cultural Preservation plan in 2020 and recently received grant funding to complete an historic building inventory, which is required (along with the preservation plan) to pursue additional funding for restoration.

## **INCENTIVE PROGRAMS AND ORDINANCE CHANGES**

Based on findings from these plans, CBJ has developed incentives including the Downtown tax abatement program to encourage development of more apartment units in the area. CBJ is currently working on revisions to the parking ordinance to address barriers to new residential construction due to current parking requirements for new units. New apartment construction currently requires a plan for parking or a parking waiver, which has been a barrier to some projects. One proposed change to the parking ordinance is to expand the parking waiver process.

## **CBJ STAFF CAPACITY**

CBJ recently created a new grant coordinator position to help identify and pursue funding opportunities for downtown revitalization efforts. A City representative reported that grant seeking to support downtown revitalization has been a challenge without dedicated staff. CBJ has other programs in tourism management and infrastructure improvement that will also further the goal of revitalizing downtown. To advance the community's goals on tourism, the City created a new tourism manager position and filled this position in November 2021.

## **SEALASKA NORTHWEST COAST ARTS CAMPUS**

The Sealaska Heritage Institute (SHI) Arts Campus, currently under construction downtown at Seward and Front Streets, is a significant project that will increase the vitality of the downtown area. Sealaska donated the downtown lot to SHI in 2019 for construction of the campus. The

campus will showcase Northwest Coast arts, with indoor and outdoor space for artists to make large scale art pieces, such as totem poles and canoes; classrooms for Northwest Coast arts instruction including basketry, textile weaving, and print making; and space for art markets, performances, and public gatherings.

## DOWNTOWN WAYFINDING PROJECT AND JUNEAU VOICES

CBJ's Downtown Wayfinding and Interpretive Element Project was initiated in 2017 to design a new system for wayfinding and interpretive signs in the downtown area. New directional signs are being installed to guide pedestrians on a tour through downtown Juneau. Interpretive elements featuring audio installations by Juneau residents were developed through the Juneau Voices project. Stories share the memories and the lived experiences of Juneau community members. These have been installed in eleven locations throughout downtown to provide a sequential tour for visitors.

Interviewees offered the following thoughts on furthering progress in this initiative:

- **Enhance the economic vitality of downtown** with a mix of businesses to attract residents and visitors. Develop incentives to attract new businesses.
- **Continue to develop and promote incentive programs** to encourage housing development in the downtown core.
- **Improve the visual appearance of downtown** with an emphasis on the pedestrian experience.

## Promote Housing Affordability and Availability

### Summary

Juneau's lack of affordable housing is viewed as one of the key barriers to economic growth in the community. The economic plan identified the need to promote new construction of affordable housing for families, seniors, and other special populations, particularly in the downtown core.

### *Barriers*

Some of the barriers to Juneau's housing affordability and availability are land scarcity, high development costs due to higher material and labor costs, and the fact that residential development is mostly private sector-driven.

### *Progress*

Since 2015, CBJ has utilized a wide range of tools to promote housing affordability and availability including planning and zoning policy changes to encourage development, utilization

of CBJ land assets, and direct funding programs. One of the key outcomes of the economic plan was to develop and implement a Housing Action Plan. The Housing Action Plan was developed in 2016, and the most recent update was completed in April 2021. The plan includes strategies to promote housing and established a 30-year goal of constructing 1,980 new units in Juneau, with an annual goal of 66 new units.

To ensure a sustained focus on housing, CBJ created a Chief Housing Officer position and added a Code Compliance Officer position in the Community Development Department (CDD) in 2016.

CBJ has worked on increasing land access by adopting the Land Management and Implementation Strategy in 2016. The strategy outlines four goals:

**Goal 1:** Continue the land disposal program which systematically places CBJ land into private ownership.

**Goal 2:** Provide direction on the best use of CBJ-owned land for both development and preservation.

**Goal 3:** Conduct CBJ land disposals in a manner that promotes compact urban growth and efficient expansion of municipal utilities and services.

**Goal 4:** Maintain the Land Management Plan as required under CBJ53.09.180 as a comprehensive reference document, updated every two years, that establishes CBJ land management policy and provides a framework for developing regulations concerning CBJ property.

Key CBJ land access projects since 2015 include the sale of city lots for housing development in Pederson Hill subdivision (17 lots), Lena subdivision (6 lots), Renninger subdivision (10 lots), and Vintage Park subdivision (for an 88-bed senior assisted living and memory care development with a planned open of Fall 2023).

**Table 16. CBJ Land Access Projects, 2016 to 2020**

Project Name	Project Type	Details
<b>2016</b>		
Adopted Land Management and Implementation Strategy	Plans	
2nd and N. Franklin Parking Lot	Request for Proposals	2 applications received (Verde Infrastructure Partners, Eagle Rock Ventures)
Lena Subdivision	Lands Sales	6 lots for over-the-counter sale
<b>2017</b>		
Renninger Subdivision	Lands Sales	Convey Lot 2 to the Alaska Housing Development Corporation

Hurlock Property	Lease	6 applications received; Alaska Legacy Partners
<b>2018</b>		
Lena Subdivision	Lands Sales	2 lots remaining for over-the counter sale
Land Use Plan	Plans	
<b>2019</b>		
Renninger Subdivision	Lands Sales	4 lots sold; 2 lots available for multi-family development
Pederson Hill Subdivision Phase 1	Lands Sales	Bid period opened for 17 lots in first phase
Lena Subdivision	Lands Sales	1 lot remaining for over-the counter sale
Vintage Park Subdivision	Land Purchase	\$1,530,000 purchase for assisted living project
<b>2020</b>		
Hurlock Property lease to Tlingit & Haida Regional Housing Authority for Youth Services	Lease	Partnership with Zach Gordon Youth Center to provide emergency shelter and services for youth
Pederson Hill Subdivision Phase 1	Land Sale	17 lots sold
Vintage Park Subdivision: Assisted Living	Sealed Competitive Bid	Property sold to Torrey Pines Development for assisted living development (River View facility)

Source: CBJ

The City has created a number of direct funding programs to encourage housing development: the Accessory Apartment Grant Program, Mobile Home loan program, tax abatement programs, and the Senior Assisted Living public/private partnership with Torrey Pines Development Group (Vintage Park subdivision).

The Accessory Apartment Grant Program was created in 2016 to encourage the development of rental units. It provides \$6,000 grants for homeowners to add rental apartments in their housing unit. Created in 2016 and renewed for five years in 2018, there is another two years of funding available in the program, with \$96,000 total in grants available per year.

The Mobile Home Down Payment Assistance program was created in 2016 to provide low interest loans to qualified residents for up to 50% of the down payment. Residents must be able to match the other 50%. Loans are available at 1% interest, not to exceed \$10,000. The borrower will have up to five years to pay back the loan. In September 2016, \$100,000 was allocated from the Juneau Affordable Housing Fund to implement the program. Through this program, 4-5 loans have been approved per year.

The downtown tax abatement program was created in 2021 to provide property tax abatement for 12 years for developers who build housing with four or more units in the downtown area.

## Housing Market Indicators

Based on building permit data provided by ADOLWD, Juneau added 717 housing units between 2015 and 2020, including 341 single family homes and 376 multifamily units.

Rental costs decreased slightly between 2015 and 2019. Both average and median adjusted rental rates declined by about 3% (adjusted rates include estimated utilities costs).

The annual number of single-family home loans declined between 2015 and 2019 while the average sale value went up, jumping from \$365,000 to \$407,000. Average sales value increased again in 2021, rising to \$476,000.

**Table 17. New Housing Units, City and Borough of Juneau, 2010-2020.**

	Single-Family	Multi-Family	Mobile Home	Total New Units
2010	40	17	-	57
2011	49	2	-	51
2012	31	24	-	55
2013	61	65	6	132
2014	51	168	1	220
2015	76	20	-	96
2016	69	172	-	241
2017	45	22	1	68
2018	53	19	-	72
2019	46	137	-	183
2020	52	6	-	58

Source: DOLWD and AHFC

**Table 18. Juneau Rental Costs and Vacancy Rates, 2015, 2019, and 2021**

	Average Adjusted Rent	Median Adjusted Rent	Vacancy Rate
2015	\$1,300	\$1,201	3.4%
2019	\$1,260	\$1,167	6.0%
2021	\$1,280	\$1,245	5.4%

Source: DOLWD and AHFC

**Table 19. Juneau Single Family Residence and Apartment Rental Costs, 2015, 2019, and 2021**

	Single-Family Average Adjusted Rent	Apartment Average Adjusted Rent
2015	\$1,829	\$1,240
2019	\$1,672	\$1,233
2021	1,773	\$1,250


Source: DOLWD and AHFC

**Table 20. Juneau Single Family Home Loan Activity, 2015, 2019, and 2021**

	Number of Loans	Average Sales Price	Total Sales Volume
2015	304	\$364,787	\$110,895,324
2019	236	\$407,082	\$96,071,363
2021	254	\$475,780	\$120,848,152

Source: DOLWD and AHFC

## Appendix: Initiatives, Goals and Metrics from JEP 2015

	<b>INITIATIVE - Enhance Essential Infrastructure</b>
<b>Goal: Support transportation infrastructure-related policies and developments that will provide access to developable land and control or lower the cost of freight shipment into and out of Juneau.</b>	
<b>Why Pursue?</b>	Foundational. Access to high-value, locally-controlled assets; potential to lower cost of living and cost of doing business. Gives the community room to grow.
<b>Objective to Accomplish</b>	1. Proceed with extension of North Douglas Highway, and North Douglas/Gastineau Channel Bridge construction to realize the residential, commercial, transshipment and maritime, industrial, and recreational potential of West Douglas.
<i>Milestones or Metrics</i>	<ul style="list-style-type: none"> <li>• Renew the CBJ/Goldbelt West Douglas MOA by April, 2015.</li> <li>• Establish West Douglas Task Force by year-end 2015.</li> </ul>
<b>Objective to Accomplish</b>	2. Engage in planning, policy-making, and monitoring activities necessary to ensure that marine freight service to and from Juneau is high-quality and the most affordable possible.
<i>Milestones or Metrics</i>	<ul style="list-style-type: none"> <li>• Track shipping rates.</li> <li>• Seek engagement of Chamber of Commerce. If priority for Chamber, establish working group to interact with shippers to identify issues and concerns by year-end 2015.</li> </ul>
<b>CBJ Roles</b>	Coordination. Leadership in CBJ-Goldbelt working relationship. As appropriate and needed: land exchanges, development reviews or incentives. Active CDD, JEDC, and other conversation

	with potential private and public sector West Douglas tenants and users. Scenario development for zoning and CBJ ROI options.
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## INITIATIVE - Build the Senior Economy

**Goal: Facilitate development of the services and facilities necessary for residents to comfortably and affordably retire in Juneau.**

Why Pursue?	To allow residents to continue participating in and supporting the economy as they age and retire.
Objective to Accomplish	3. Support development of a range of housing options and support services that meet the needs of Juneau's senior population.
<i>Milestones or Metrics</i>	<ul style="list-style-type: none"> <li>• # of dwelling units specifically designed/designated for seniors.</li> <li>• # of businesses that specifically serve seniors/tax revenue from these businesses.</li> <li>• # Care-A-Van rides by seniors.</li> </ul>
Objective to Accomplish	4. Increase the depth and breadth of local, skilled health care workers and services for seniors.
<i>Milestones or Metrics</i>	<ul style="list-style-type: none"> <li>• # of health care positions in field related to care of seniors.</li> <li>• # home health care workers (and types), # training programs, and # trained.</li> <li>• Prepare a needs lists/gap analysis for health care services for seniors by 2016.</li> </ul>
CBJ Roles	Conduct development reviews and provide development incentives. Leadership in marketing/attracting providers (housing, services) to Juneau. Coordination with the Juneau Commission on Aging, Bartlett Regional Hospital, SEARHC, Catholic Community Services, CBJ Affordable Housing Commission, and others.






## INITIATIVE - Attract and Prepare the Next Generation Workforce

<p><b>Goal: Prepare and attract the professional, technical, skilled, entrepreneurial, and creative labor force that Juneau's diverse employers, businesses, and non-profits need.</b></p>	
Why Pursue?	Foundational for effective workforce development, to ensure job retention, and prevent capital creep. Critical for attracting millennials and retaining existing young families. CBJ controls public infrastructure that is central to quality of life measures that influence location decisions for millennials and others. Generates wealth and ensures job retention.
Objective to Accomplish	5. Develop a better understanding of the professional, technical, and other workforce needs of Juneau's key employers, especially state government.
Milestones or Metrics	<ul style="list-style-type: none"> <li>State worker position profile prepared by year-end 2015. Identify State workforce needs and track/anticipate potential changes in State employment in Juneau.</li> <li>Juneau "top jobs" list with recruiting and training needs prepared by year-end 2016.</li> </ul>
Objective to Accomplish	6. Increase availability of child care year round, with an emphasis on Kindergarten readiness.
Milestones or Metrics	<ul style="list-style-type: none"> <li>Ratio of child care slots in Juneau to population of children under six.</li> <li>By year-end 2015, complete an ordinance and zoning code review to ensure they allow for appropriate development of child care facilities.</li> </ul>
Objective to Accomplish	7. Actively support and maintain quality of life infrastructure that attracts and retains a desired workforce.

Milestones or Metrics	<ul style="list-style-type: none"> <li>• Usage and participation counts.</li> <li>• \$ Track trends in cost per participant.</li> <li>• Track age distribution of Juneau population.</li> </ul>
Objective to Accomplish	8. Prioritize an education system that prepares youth to participate successfully in the Juneau workforce, in vocational and professional jobs.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• Graduation rates and test scores of Juneau HS students.</li> <li>• # student participants in STEM education programs.</li> <li>• # of HS students eligible for the Alaska Performance Scholarship.</li> <li>• Educational attainment of Juneau population.</li> </ul>
CBJ Roles	Provide education funding. Support STEM programming (JSD, JEDC, UAS, and others) for workforce and talent development. Work with AEYC to track child care statistics, CDD review of Title 49 to support child care facilities. Consider effect of quality of life infrastructure and programming on workforce locational decisions when budgeting.

 <p><b>INITIATIVE - Recognize and Expand Juneau's Position as a Research Center</b></p>	
<p><b>Goal: Take advantage of Juneau's natural assets and competitive advantages by making tighter connections to basic and applied research, funding, and employment. Strengthen links between Juneau's scientists, researchers, and businesses.</b></p>	
Why Pursue?	New jobs and wealth creation based on natural assets and advantages. Adds resilience by strengthening the federal jobs base and activity. Adds to diversification, as well as investment in education and future generations.
Objective to Accomplish	9. Locate Alaska fisheries science and management jobs in Juneau.

Milestones or Metrics	<ul style="list-style-type: none"> <li>• Track AFSC job listings in AK, WA, and OR.</li> <li>• By year-end 2016, identify specific targets and a strategy to promote Juneau as a research/science center for excellence.</li> <li>• # FTE positions and # empty offices at NOAA and PNWRS facilities in Juneau.</li> <li>• # meetings with Congressional delegation and NOAA on jobs.</li> </ul>
Objective to Accomplish	10. Better connect Juneau's scientists and researchers with business and industry. Conduct applied research to benefit local business' ability to compete and expand.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• \$ Federal, state, or private grants or loans to an applied science or supporting business.</li> <li>• # patents to Juneau businesses or researchers.</li> </ul>
CBJ Roles	Assembly and Community Development coordinate with Mayor's federal fisheries job taskforce, JEDC Research & Development Work Group, and UAS.



## INITIATIVE - Build on our Strengths

**Goal: Build on our strengths to expand business opportunities where we have natural/competitive advantages.**

Why Pursue?	New jobs and wealth generation, adds to community resilience and CBJ revenue. These jobs are broadly distributed through economy.
Objective to Accomplish	11. Increase independent visitor travel to Juneau.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• Track hotel and B&amp;B occupancy, room tax revenues, counts of independent visitors.</li> </ul>

Objective to Accomplish	12. Create more value from seafood and other maritime resources and services.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• \$ Track value of fish landed, fish taxes paid to CBJ.</li> <li>• Annual communication with Juneau processors regarding land, infrastructure, or permitting needs.</li> </ul>
Objective to Accomplish	13. Build Juneau's role as a regional arts and culture hub.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• \$ Annual spending by Juneau arts/cultural organizations.</li> <li>• \$ Event-related spending by audience.</li> <li>• Progress on Willoughby Arts Complex.</li> </ul>
CBJ Roles	Coordination, support, and outreach to seafood processors through JEDC Seafood Products Working Group. Coordination between JEDC and CBJ Fisheries Development Committee. Coordination, support, and outreach to JCVB, as well as JEDC's Visitor Products Working Group. Work with JCVB to refine marketing program funding needs.



## INITIATIVE - Protect and Enhance Juneau's Role as Capital City

**Goal: Maintain state government employment and real wages in Juneau and "brand" Juneau as a great Capital City.**

Why Pursue?	New and retained jobs (support Juneau's most important source of employment and income). Wealth creation and foundational development, attract investors and next generation workforce.
Objective to Accomplish	14. Make Juneau the best possible Capital City
Milestones or Metrics	<ul style="list-style-type: none"> <li>• Maintain funding for the Alaska Committee.</li> <li>• Track state employment and payroll.</li> <li>• Initiate a long-range Capital Campus planning effort by July 2016.</li> </ul>
Objective to Accomplish	15. Brand and market Juneau as a desirable place to live, work, raise a family, and start a business. Focus brand on Juneau as Alaska's Capital, a Center for Science and Research, a vibrant arts and culture destination, and a place with diverse recreational assets and opportunities.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• Identify specific employment needs and locations to target marketing.</li> <li>• Branding and targeted marketing plan in place by mid-year 2016.</li> </ul>
CBJ Roles	Ongoing funding support for Alaska Committee. Coordinate with Alaska Committee, JCVB, Chamber, JEDC, JAHC, and UAS on branding.



## INITIATIVE - Revitalize Downtown

**Goal: Revitalize Downtown, building the link between economic vitality and livable, mixed-use neighborhoods.**

Why Pursue?	New jobs and businesses, leverages other investment, generate CBJ revenue, existing support by CBJ and business owners.
Objective to Accomplish	16. Develop and implement a CBJ downtown improvement strategy.
Milestones or Metrics	<ul style="list-style-type: none"> <li>• Immediately begin to identify and apply for grant funding to supplement downtown planning.</li> <li>• Begin downtown neighborhood and business plan process by August 2015. Include a funding commitment, identification of project partners, and project scope.</li> <li>• # businesses in area.</li> <li>• # vacant properties in area.</li> <li>• \$ property tax revenue from area.</li> <li>• \$ sales tax revenue from area.</li> </ul>
CBJ Roles	Assembly and Community Development - Coordinate with and support Downtown Business Association, Downtown Improvement Group, Willoughby District Group.



## INITIATIVE - Promote Housing Affordability and Availability

**Goal: Break down the housing barriers that are dampening economic growth.**

Why Pursue?	Foundational. Lack of "starter" or affordable housing is critical economic barrier holding back progress on other initiatives.
Objective to Accomplish	17. Complete a Housing Action Plan, followed by action. Set goals for "starter" and affordable housing, senior housing, as well as special populations downtown.

Milestones or Metrics	<ul style="list-style-type: none"> <li>• Set specific and measurable housing goals and implementing programs in 2015.</li> <li>• Annually track: # dwelling units (DU), # new DU starts and remodels, # DU selling below \$300K, # DU for rent in Juneau total and in Downtown/Willoughby.</li> </ul>
CBJ Roles	Continued support for CBJ Affordable Housing Commission. Provision of adequate land. Additional CDD development reviews, assistance, code changes, and CBJ incentives as needed to accomplish goals recommended in Housing Action Plan.

## **McKINLEY RESEARCH GROUP, LLC**

3800 Centerpoint Drive, Suite 1100 • Anchorage, AK 99503 • (907) 274-3200  
801 West 10th Street, Suite 100B • Juneau, AK 99801 • (907) 586-6126

[info@mckinleyresearch.com](mailto:info@mckinleyresearch.com) • [mckinleyresearch.com](http://mckinleyresearch.com)