

CANCELLED

VISITOR INDUSTRY TASK FORCE THE CITY AND BOROUGH OF JUNEAU, ALASKA

~~March 19, 2020 5:00 PM
City Hall, Assembly Chambers~~

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

IV. DISCUSSION

a. Review the Draft VITF Final memo and provide comments

Due to CBJ's response to COVID-19 this meeting has been cancelled. Instead of meeting in person at this time, VITF Members will review the report and send their comments to staff by Friday, March 27.

V. ADJOURNMENT

Note: Agenda packets are available to review online at <https://juneau.org>

ADA accommodations available upon request: Please contact the City Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape of the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, email: city.clerk@juneau.org



MEMORANDUM

DATE: March 17, 2020

TO: Visitor Industry Task Force

FROM: Staff

SUBJECT: DRAFT Taskforce Recommendations

Note to the Visitor Industry Task Force

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

Visitor Industry Task Force

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

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

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

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

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

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

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

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

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

There are numerous CBJ planning efforts underway or contemplated that would affect tourism management, opportunity and efficiency. Additionally, there are infrastructure projects that contribute to management of tourism discussed in section 1b. Listed below are planning efforts related to tourism or that have a close connection to tourism as they are located in the downtown area.

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

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

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

1. Dock Scheduling – Cruise Lines Agencies of Alaska (CLAA) schedules usage of CBJ's Steamship Wharf and Cruise Ship Terminal. CBJ has no contractual relationship with CLAA or member lines over use of the docks.

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

Recommendations

1. CBJ should establish a centralized tourism management function funded by CBJ with full-time staff to guide implementation of the 2002 Tourism Management Plan (TMP) where applicable. The TMP provides an example of how this could function.
2. CBJ should determine community goals (emissions, shore power, congestion mitigation, etc.) and develop and implement an action plan to achieve these goals.
3. TBMP program should be augmented and supported by additional CBJ regulatory efforts. TBMP remains an industry driven and operated program. As an industry program, peer and industry pressure achieves compliance that would be difficult to obtain under a regulatory regime.
4. CBJ should create a framework and policies for consistent management of commercial tour use on all lands, including parks, docks and harbors, right-of-ways, and other lands owned by the CBJ. Management considerations should include:
 - a. Continue to charge fees to fund required services and mitigate impacts. Review and revise fee schedule to ensure fees are appropriate.
 - b. Consider development of commercial tour permitting on city streets and sidewalks.
 - c. Limiting Parks & Recreation use permits to determined facility capacity and impacts (including hours and days). This may include some areas with higher visitation and some areas with lower or no visitation.
 - d. Require all tourism operators receiving Commercial Use Permits to be members of TBMP and Whale SENSE in good standing and comply with TBMP and Whale SENSE Guidelines.

- e. Work with related agencies and partners on reducing speed and wakes from whale watching vessels in Auke Bay and other impacted areas.
 - f. Recognize operators participating in the state travel industry, Alaska Travel Industry Association (ATIA), program “Adventure Green Alaska”, to encourage sustainability practices.
 - g. Incentivize operators to adopt environmental best management practices through local award programs, such as a Juneau Commission on Sustainability award.
 - h. Recommend operators/cruise lines adopt Travel Juneau “Juneau Pledge” and ATIA “Alaska” pledge. Cruise lines may also create their own “Alaska” pledge through CLIA (a creative method to encourage guests from around the world to embrace community respect and positive visitor behavior).
5. CBJ should clearly establish operating guidelines and goals for Cruise Lines International Association (CLIA) member cruise lines.
- a. In 2020, minimize cruise ship waste in the landfill and prohibit ships from off-loading furniture, bedding, pillows, mattresses and other similar bulky items as garbage into the Juneau landfill. Coordinate with the landfill and CLAA to implement this recommendation.
 - b. Maximize use of shore power by all cruise lines by encouraging CLAA to schedule shore power configured ships at electrified docks.
 - c. Limit water usage by ships in periods of drought.
 - d. Turn off large LED screens while in port.
 - e. Maximize “localism”
 - i. Encourage cruise lines to maximize partnerships with locally owned businesses.
 - ii. Continue to support and direct cruise ship passengers to local businesses.
 - f. Coordinate with CLIA and CLAA on scheduling of ships to minimize congestion at **all docks**. These recommendations should be implemented over the next three years based on feasibility and need. In 2020, strategically dock ships based on size with the goal of reducing traffic congestion downtown
 - i. In 2020, work with CLAA and CLIA to provide more transparency and visibility for schedules and projected passenger counts, two years in advance or upon creation.
 - ii. In 2021, stagger arrival times of ships at the docks by 30 minutes.
 - iii. In 2022 if the NCL berth is operational, prohibit hot berthing as a scheduled practice.
6. CBJ should clearly establish guidelines and goals for the scheduling of **municipal** docks. These recommendations should be implemented over the next three years based on feasibility and need.
- a. In 2020, prohibit docking of cruise ships in Statter Harbor except for emergency purposes.
 - b. In 2020, work with CLAA and CLIA to provide more transparency and visibility for schedules and projected passenger counts, two years in advance or upon creation.
 - c. In 2021, stagger arrival times of ships at the docks by 30 minutes.
 - d. In 2022 if the NCL berth is operational, prohibit hot berthing as a scheduled practice
 - e. Prioritize docking for shore power configured ships (when shore power is ready).
7. Incentivize Juneau as a turn port.

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

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

The current management approach within the existing and foreseeable infrastructure projects is not adequate. Many of the current projects address important issues, but the approach needs to be consistently coordinated among city, state, and federal partners. Additional work should be continued to mitigate current impacts and anticipate future impacts.

Numerous upgrades to downtown infrastructure are underway. These projects increase Juneau’s ability to host large numbers of visitors. The upgrades, with completion dates, include:

1. Egan Drive improvements (2020) – ADOT reconstruction of Egan Drive from Main Street to 10th Street.
2. Small bus staging at the Archipelago area (2022) – Deckover of tideland area close to the Marine Parking Garage to provide space for passenger bus loading.
3. Open space at the Archipelago area (2022) – Private project adjacent to the Marine Parking Garage to develop commercial and open space on the waterfront.
4. Sidewalk stanchions (2020 - 2022) – Continue installing barriers at the edge of sidewalk along S. Franklin Street to separate pedestrians and vehicles.
5. Warner’s Wharf Alley Improvements (2020-2021) – Safety and pedestrian improvements to the Seawalk access on Warner’s Wharf, adjacent to Pier 49.
6. Dock Electrification planning (ongoing).
7. Seawalk Infill at Marine Park (2021) – Install seawalk decking over the area where the lightering ramp and float was removed. This will extend the seawalk to connect to Marine Park.
8. Seawalk expansion South to AJ Dock planning (ongoing).
9. Marine Park Upgrades (2023) – Park reconstruction project to improve pedestrian flow and user amenities on the waterfront.
10. Marine Way Seward Street Crosswalk (2021) – Evaluate location of crosswalk and utility of left turning movement at Seward Street.
11. Cruise Ship Real Time Wastewater Monitoring (2021)- Installation of instrumentation and control systems to track strength and flow rate of discharges to allow for efficient plant management.
12. Franklin Dock Floating Berth (2021) – Private project evaluating replacing the current cruise ship dock with a floating berth.

Recommendations

1. Additional infrastructure development should be considered in the downtown area to accommodate current volumes and potential growth. Continued efforts to move people and vehicles through downtown efficiently and safely are necessary.

- a. Traffic congestion on S. Franklin is a critical infrastructure issue that needs to continue to be addressed through planning, design, and construction to separate pedestrian and vehicular flow. CBJ and DOT should coordinate to accomplish this work. Considerations should include:
 - i. Maximize right-of-way space for pedestrians.
 - ii. Minimize required stops for vehicles.
 - iii. Extension of pedestrian stanchions.
 - iv. Minimize and consolidate turning movements.
 - v. Focus pedestrian flow to crosswalks and desired destinations.
 - vi. Consider staging areas outside of downtown for cargo deliveries and incentivize companies to deliver outside of times when cruise ships are in port.
 - vii. Encourage and incentivize electrification of tourism vehicles.
2. Research and develop efforts to move people on and off the right-of-way, including circulators, electric ferries, Seawalk extension, and alternative pedestrian routes.
3. Prioritize dock electrification and continue to work with the electrical utility to monitor electrical capacity.
4. Limit expansion of downtown dock infrastructure to allow no more than one additional larger cruise ship.
5. Wastewater, water, and air quality should continue to be evaluated by the City and State to reduce impacts on the health of the community and environment. Responsible agencies should evaluate and plan to analyze capacity and impacts of increased cruise ship visitation. Emissions quality should be monitored regularly for adherence to strict standards, including compliance with the Marine Vessel Visible Standards (18 AC 50-.070) and all available and reasonable steps to minimize visible stack effluents while in port should be taken.
6. Plans for infrastructure development including design standards and analysis of growth and impacts should be completed for other areas outside of the downtown waterfront where tourism growth is occurring, such as Auke Bay.
7. Support public and private development ventures that alleviate pressure on existing infrastructure.
8. Ensure recreational facilities such as trails for hiking and biking are developed to maintain Juneau as a top recreational place to live and visit.
9. Recognize the contributions of Native Alaska organizations to the downtown core and support continued growth of cultural tourism and installation of Native Alaska art in public spaces.

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

The Long Range Waterfront Plan (LRWP) has guided CBJ thinking and actions on the development of waterfront infrastructure for the last 15 years. The LRWP was the culmination of a great deal of planning work in the early 2000's. Writing, considering, and adopting the LRWP was very time consuming, and

required extensive and sustained public engagement. Updating or re-writing the Plan would be similarly difficult and time intensive.

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

Pros

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

Cons

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

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

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

Recommendations

1. Do not expend the effort necessary to update the LRWP. The CBJ Assembly should maintain focus on better tourism management and rely on the finer detailing from the ongoing Blueprint Downtown planning efforts.
2. Complete development of the Seawalk.

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

1. Consider and research whether a restriction on the number of visitors arriving in Juneau would be legal, enforceable or practical.
2. If found to be legal and enforceable, advise on the pros and cons of the concept of restricting the number of visitors and whether a restriction strategy might be:
 - a. A concept that would apply to annual/seasonal visitation numbers?
 - b. A concept that would apply to daily visitation numbers?
3. Consider whether changes to ship scheduling (daily arrivals and departures) might address community concerns and impacts.
4. Consider the pros and cons of CBJ becoming involved in dock scheduling.

Legal Considerations

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

Practical Considerations

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

1. Limit by Infrastructure

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

2. Limits on Ship Scheduling

The revenue bonds that financed the construction of CBJ owned cruise ship docks (commonly known as 16B) requires that the debt service not be placed in jeopardy. The bonds are scheduled to be paid off in 2034, but the CBJ can prepay the bonds as early as March 1, 2026. Limitation on dock availability at the municipal docks may cause such jeopardy.

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

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

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

3. Limit by Negotiation

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

4. Financial Incentives/Disincentives

Different ship/dock configurations could result in less congestion, but there are barriers to dock scheduling adjustments. Issues include cruise lines' historical preference and the economic disparity between the costs of the less expensive public and the costlier private docks.

Recommendations

1. The CBJ should not pursue a hard numerical "cap" on numbers of visitors because it is legally questionable and logistically impractical. Limitations can be achieved through other measures, including port capacity to better manage the impacts of visitors.
2. CBJ has traditionally left scheduling of the City docks to CLAA, but should take a more active role to achieve its management goals. See section 1a of this report for specific recommendations.
3. CBJ should consider negotiating changes that would affect more efficient ship scheduling and manage congestion, such as locating larger capacity ships at the City docks and reducing traffic on South Franklin.
4. CBJ should work with the industry on a formal agreement to limit the number of ships to five larger ships per day, one ship at each dock by 2023. This would give the industry time to adjust to recommendations.
5. CBJ should work with cruise lines to attempt to "get the peak out of the week" and balance the numbers of visitors across days of the week. There are more docks being constructed throughout Southeast; CBJ and other Southeast communities should work with the cruise lines to manage visitation throughout the region.
6. CBJ should work with the various agencies including CLAA and individual ship lines to discourage or prohibit anchoring and lightering by larger ships if an additional dock is constructed. If a Subport dock is constructed, the CBJ should more thoroughly investigate and completely understand under what circumstances the USCG would remove or restrict the current anchorage.
7. The Visitor Industry Task Force did not reach consensus on the issue of a ship free day or no ships at one dock per day. One option could be asking CLAA to cease booking one of the city docks on certain Saturdays, alternating between Alaska Steamship Dock and Cruiseship Terminal. Issues discussed included:
 - a. Economic impacts
 - b. Region-wide scheduling considerations

- c. Inability to control scheduling of private docks
- d. Legal and debt service concerns

4) Mayor's Charge: Considering methods for collecting public opinion

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

In the 1990's and 2000's, CBJ commissioned a number of surveys on public perceptions on tourism. The 2002 Juneau Tourism Management Plan identifies survey results as the primary indicator for activating "safety valves" – constructing an additional port separate from Juneau, but within the Borough to disperse the CBJ's visitor load. Public surveys can be a useful community engagement tool, because they make it possible to get results from a broader cross section of the community than with other public engagement methods. However, it is important for survey questions to be well designed and not biased or leading. It is also important to have a clear understanding of the purpose of the public survey. Such a survey could be focused on general public perception (i.e. "has Juneau reached its capacity for cruise tourism?") or focused on measuring community impacts in specific areas. It would also be important to consider who would use the survey results and for what purpose.

Recommendations

1. Engage a third party contractor to complete a public opinion survey of Juneau residents at the end of the 2020 cruise season.
2. Depending on the utility of a survey this fall, additional surveys should be planned to gauge how management strategies are influencing public perception.
3. Consider collecting data on the effects of hot berthing.

Additional Task Force Discussion Issue

Subport Development/Upcoming Norwegian Cruise Line Dock Proposal

Whether or not to support an upcoming Subport development proposal is a CBJ Assembly decision. The USCG and/or NOAA also have important roles. Future discussions should consider the allowance or prohibition of anchoring and the use of dynamic positioning navigational systems.

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

1. Seawalk
2. Small Boat Harbor
3. Ocean Center

4. Berthing for small cruise ships (The Task Force does not yet have an accepted definition of “small ships”)
5. Homeporting of “small ships”
6. Economic and/or Housing Development
7. Pedestrian management such as a walkway crossing over Egan

Recommendation

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

1. One larger ship per day
2. Maximum of five larger ships in port at any one time
3. No hot berthing at the new facility
4. No larger ships allowed to anchor (CBJ to consider legal ramifications of limiting size of ships at anchor)
5. High quality uplands development for community and visitors
6. Year round development orientation
7. CBJ manages dock to some extent through a public private partnership or management agreement
8. Dock is electrified

Cruise Ship Size Discussion

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

1. The length of a ship does not necessarily determine the number of passengers.
2. Limiting ships by number of passengers may require additional legal analysis.
3. The concern on ship size is related generally to the amount of impacts it creates in the community on the environment, traffic and congestion, and infrastructure.

The Assembly may have to define a ‘larger ship’ as it proceeds with tourism management, but this definition will likely include a deeper analysis of impacts, expected fleet of ships, and ongoing and planned infrastructure development.