

# JUNEAU NEIGHBORHOODS

Alaska's capital is home to discrete areas with their own identities

By **EDDIE HUNSINGER**  
and **ERIC SANDBERG**

**T**he City and Borough of Juneau covers 3,255 square miles, making it the largest state capital and the second-largest city in the nation by area, after Sitka. Most of that area is uninhabited, however, and Juneau's entire population of about 33,000 is distributed along a narrow sliver of coastal land between its namesake ice field and the waters of the Inside Passage.

But Alaska's capital city has expanded laterally along the coastline over time, developing and expanding into distinct neighborhoods.

Downtown Juneau, having grown around the original 1880 town site, contains many of the buildings associ-

ated with Juneau as a whole, such as the state capitol and the governor's house.

Across the narrow Gastineau Channel, Douglas Island's coastline stretches along 15 miles of road. The island has been connected to mainland Juneau by bridge since the mid-1930s, allowing new neighborhoods to form around the original town of Douglas such as West Juneau (near the bridge) and North Douglas.

If you're traveling north from downtown along the highway, Egan Drive, the next neighborhood to appear is the Salmon Creek valley, followed by Lemon Creek. These two valleys have steadily filled in with homes as improved roads have made access to downtown easier.

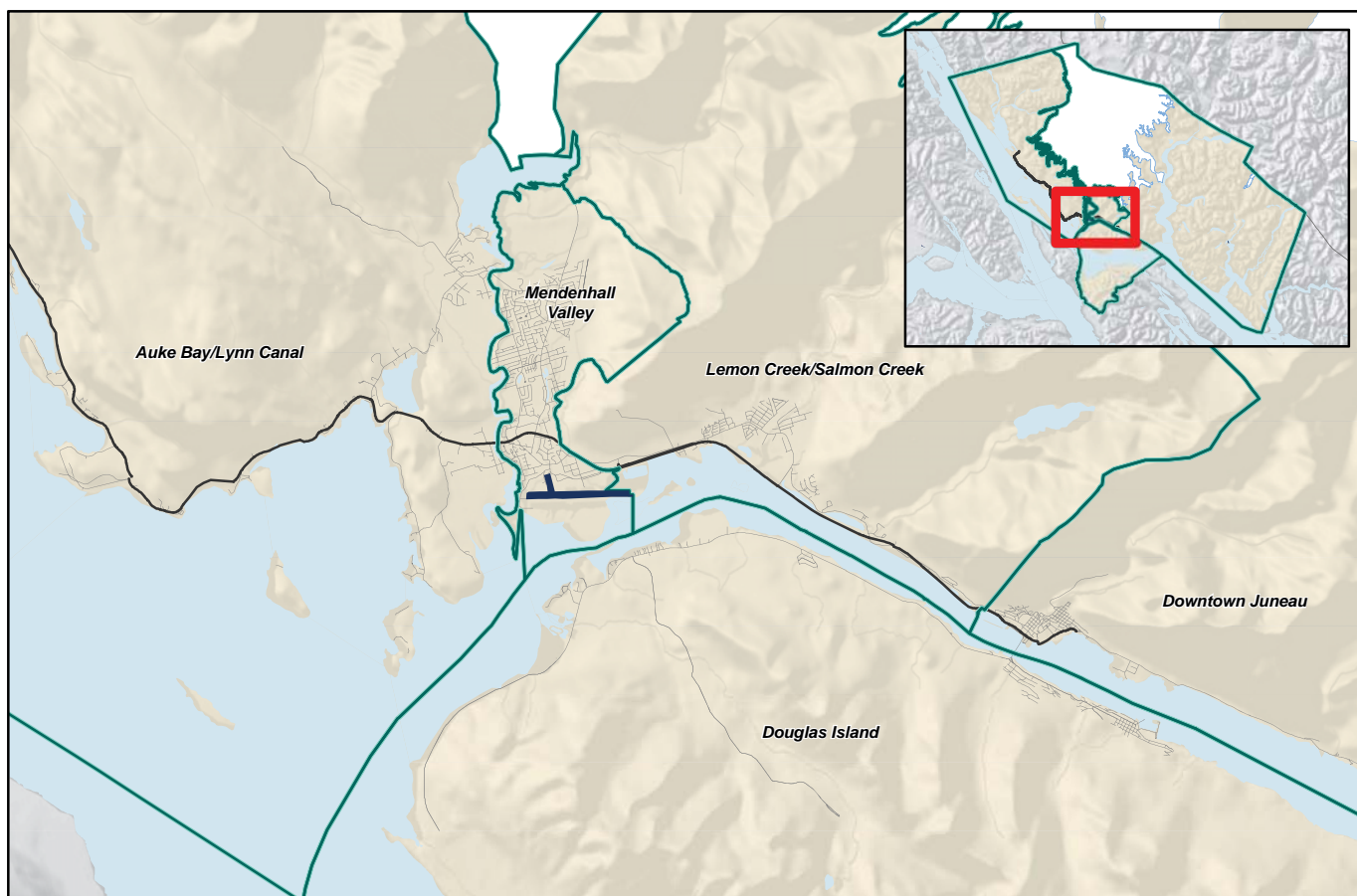
Next is the large Mendenhall Valley, or "the valley," the flat expanse left by the retreat of its namesake glacier where the majority of Juneau's population lives be-

## 1 Most Juneau Residents Live in the Mendenhall Valley

POPULATIONS BY NEIGHBORHOOD, 1990 TO 2014

	1990 Census	2000 Census	2010 Census	2011 Estimate	2012 Estimate	2013 Estimate	2014 Estimate
Auke Bay/Lynn Canal	3,409	4,468	4,933	5,041	5,188	5,201	5,339
Mendenhall Valley	11,387	12,580	12,566	12,997	13,109	13,080	12,972
Lemon Creek/Salmon Creek	4,198	4,722	4,804	4,977	5,209	5,349	5,287
Downtown Juneau	3,365	3,644	3,498	3,728	3,669	3,661	3,658
Douglas Island	4,392	5,297	5,474	5,636	5,631	5,739	5,770
Juneau	26,751	30,711	31,275	32,379	32,806	33,030	33,026
Alaska	550,043	626,932	710,231	722,818	731,191	735,662	735,601

Sources: U.S. Census Bureau; and Alaska Department of Labor and Workforce Development, Research and Analysis Section



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

cause of the availability of precious level ground.

Finally, the “out the road” area of Auke Bay and Lynn Canal stretches out past the Mendenhall River. Home to both the original Auk Tlingit settlement and the University of Alaska Southeast, the area was Juneau’s fastest-growing from 1990 to 2014.

## Most live in the valley or beyond

After miners arrived in the 1880s, the two town sites of Juneau and Douglas contained nearly all the area’s housing, with only sporadic settlement elsewhere. At statehood in 1959, 80 percent of Juneau’s population lived downtown or in the old city of Douglas.

As the area merged into the unified City and Borough of Juneau in the 1960s, the population began to move out of the downtown core. By 1970, the percentage living downtown or in Douglas had fallen to 54 percent. Ten years later, the Mendenhall Valley had become the most populated area, and population distribution hasn’t changed much since.

In 1990, 29 percent of Juneau’s population lived down-

town or on Douglas Island, 16 percent were in Lemon Creek/Salmon Creek, and 55 percent lived in the valley or Auke Bay and beyond. In 2014, those shares were unchanged at 29, 16, and 55 percent respectively. (See Exhibit 1.)

Since 1990, Juneau has gained 6,275 people, an increase of 23 percent. The Auke Bay/Lynn Canal area grew most numerically and by percentage, increasing by 1,930, or around 57 percent, through 2014. The much larger Mendenhall Valley added 1,585 people over the same period, followed by Douglas Island’s 1,378, Lemon Creek/Salmon Creek’s 1,089, and downtown’s 293.

Since 2010, though, Lemon Creek and Salmon Creek have grown the most, gaining 483 people. The valley and Auke Bay areas each grew by 406. The downtown area gained just 160, and Douglas Island added 296.

## Valley younger, downtown older

With nearly a third of its population younger than 20 as of 2010, the Mendenhall Valley’s residents are Juneau’s youngest. In contrast, just 15 percent of downtown-



Above, downtown Juneau as seen from the library. Photo by Flickr user Heidi Olson

## 2 Juneau Residents by Age, Race, and Ethnicity 2010

Area	Age						Race						Ethnicity	
	0 to 19	20 to 39	40 to 59	60 to 79	80 and over	Median Age	White	American Indian/AK Native	Black	Asian	Hawaiian/Pacific Islander	Other	Two or more	Hispanic (any race)
Auke Bay/Lynn Canal	25%	23%	36%	15%	2%	42.0	86%	4%	0%	1%	0%	1%	7%	4%
Mendenhall Valley	31%	27%	31%	10%	1%	34.3	66%	12%	1%	8%	1%	1%	11%	6%
Lemon Creek/ Salmon Creek	27%	27%	31%	12%	2%	37.0	52%	21%	1%	13%	1%	2%	11%	7%
Downtown Juneau	15%	27%	35%	18%	4%	45.4	74%	12%	1%	5%	0%	1%	7%	4%
Douglas Island	23%	28%	35%	13%	2%	39.2	76%	11%	1%	2%	1%	1%	8%	4%
Juneau	26%	27%	33%	13%	2%	38.1	70%	12%	1%	6%	1%	1%	9%	5%
Alaska	29%	29%	29%	11%	2%	33.8	67%	15%	3%	5%	1%	2%	7%	6%

Sources: U.S. Census Bureau, 2010 Census; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

ers are under 20. (See Exhibit 2.) One factor is housing type. Single-family units, which are more conducive to families with children, are more common in the valley than downtown, and valley houses are less costly than those in Auke Bay.

Overall, Juneau is a bit older than the state, with a median age of around 38 versus the statewide median of 34.

The percentages of people in the typical working-age range, 20 to 59, is about the same downtown as it is

in the valley. But downtown stands out for having the largest share over age 60, at 22 percent. This is also likely related to housing types as well as the history of settlement and downtown's mix of services and amenities within easy walking distance.

### Lemon Creek most diverse

Like the state as a whole, Juneau has steadily become more racially diverse over recent decades. (See Exhibit

# 3

## Auke Bay is the Wealthiest Area

JUNEAU NEIGHBORHOODS, 2009 TO 2013

	Households with Income \$50,000+	Households with Income \$75,000+	Households with Income \$100,000+	Population Below Poverty Level
Auke Bay/Lynn Canal	86% (±12)	69% (±11)	47% (±9)	3% (±2)
Mendenhall Valley	76% (±9)	56% (±8)	34% (±6)	6% (±2)
Lemon Creek/Salmon Creek	68% (±12)	45% (±10)	29% (±7)	7% (±4)
Downtown Juneau	67% (±11)	51% (±10)	35% (±9)	7% (±3)
Douglas Island	69% (±5)	51% (±4)	36% (±3)	8% (±2)
Juneau	74% (±5)	55% (±4)	36% (±3)	6% (±1)
Alaska	66% (±1)	47% (±1)	32% (±1)	10% (±0)

Notes: Incomes are in 2013 dollars.

Poverty thresholds are set by the U.S. Census Bureau and vary by family size and composition.

Margins of error are given in parentheses.

Sources: U.S. Census Bureau, 2009-2013 American Community Survey; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

# 4

## Ownership and Occupancy in Juneau

BY NEIGHBORHOOD, 2009 TO 2013

	Total Housing Units	Occupied Housing Units	Owner- Occupied Units
Auke Bay/Lynn Canal	2,044 (±77)	89% (±5)	84% (±6)
Mendenhall Valley	4,690 (±144)	97% (±2)	69% (±4)
Lemon Creek/Salmon Creek	1,662 (±85)	93% (±5)	61% (±8)
Downtown Juneau	1,982 (±78)	87% (±6)	50% (±6)
Douglas Island	2,666 (±107)	93% (±2)	54% (±3)
Juneau	13,044 (±99)	93% (±2)	65% (±3)
Alaska	306,662 (±185)	82% (±0)	64% (±1)

Note: These occupancy rates are lower than in other surveys due to short-term and seasonal populations the data do not include.

Sources: U.S. Census Bureau, 2009-2013 American Community Survey; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

2.) In 1990, about 20 percent of the borough's population was nonwhite, but by 2000 that figure reached 25 percent and then 30 percent by 2010. For comparison, 33 percent of the state and 34 percent of Anchorage were a race other than white in 2010.

Alaska Natives are the fastest growing racial group in Juneau, and 90 percent are Tlingit or Haida. In 2010, 12 percent of Juneau residents were Alaska Native alone. Adding multi-race Alaska Natives bumps up the share to 19 percent.

After white and Alaska Native, Asian is the third-largest single race group, representing 6 percent of the borough in 2010 after edging up from 5 percent in 2000 and 4 percent in 1990. The largest single ancestry for Asians is Filipino, at 74 percent of local Asians.

Across the borough, the Lemon Creek/Salmon Creek

area is by far the most diverse at nearly 50 percent nonwhite. The area is 21 percent Alaska Native, 13 percent Asian, and 11 percent multi-race, with 7 percent identifying as Hispanic. Auke Bay/Lynn Canal and Douglas Island were both more than 75 percent white alone as of 2010.

## Higher incomes in Auke Bay

As of the 2009 to 2013 American Community Survey, Juneau's median household income was approximately \$81,490 in 2013 dollars. That means half of Juneau households brought in more than \$81,490, and half made less. (See Exhibit 3.)

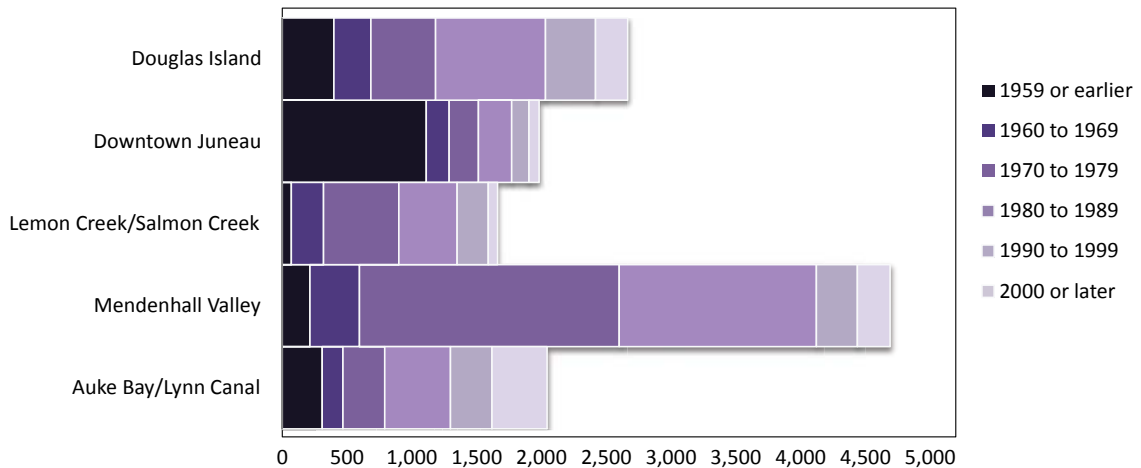
The Auke Bay/Lynn Canal area had the highest household incomes, with over 40 percent bringing in more than \$100,000 per year, compared to 36 percent bor-



# 5

## When Juneau Homes Were Built

2009 TO 2013



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau, American Community Survey 2009-2013

ough-wide and 32 percent statewide.

The Lemon Creek/Salmon Creek area generally has lower incomes overall, but the area is so broad that there's considerable income diversity by neighborhood.

Juneau's household incomes also varied considerably depending on the age of the householder, which explains some of the difference in incomes between neighborhoods. For those under 25, it was around \$47,841. Income jumped to \$80,388 for those between 25 and 44 and to \$89,315 for those between 45 and 64, falling to roughly \$66,550 for people 65 and older.

### Brief journeys to work

According to the American Community Survey, the average commute for Juneau workers was a relatively brief 15 minutes. For comparison, the average was 19 minutes for Anchorage and 18 minutes for the Fairbanks area. In the Matanuska-Susitna Borough, where many people commute to Anchorage for work, the average was 33 minutes.

Commute times varied considerably across Juneau's neighborhoods, ranging from roughly 12 minutes for downtowners — many of whom walk to work — to 17 minutes for Auke Bay and out the road. As a result, Auke Bay workers tend to leave for work earlier. The largest number leave between 7 and 7:30 a.m. compared to 7:30 to 8 a.m. for downtown residents.

With no traffic or obstructions, a drive from as far out the road as Amalga Harbor to the downtown capitol can

### About the data

The areas of analysis used for this article are based on statistical areas called "census tracts." Census tracts are areas of several thousand people and are intended to be relatively permanent. They are not affiliated with any local government. When a census tract's population grows beyond 8,000 people, it is typically divided, with the outside boundaries remaining intact.

Since the 1990 Census, the City and Borough of Juneau has had six census tracts. For this article, we condensed two tracts that cover population in the Mendenhall Valley into one.

take more than 35 minutes, but most peoples' commutes aren't that far.

### Many downtown workers walk

In Juneau overall, 8 percent walk or bike to work, but downtown stands out at a whopping 43 percent.

Statewide it was 9 percent, and in Anchorage it was 4 percent. Nationwide, just 3 percent walk or bike to work. Five percent of Juneau workers use public transit, which is the same as the nation as a whole.

### High occupancy borough-wide

About 93 percent of Juneau's housing units are occu-

Continued on page 15

highest between 2006 and 2008 as interest rates rose temporarily, increasing the cost of purchasing. Generally, interest rates have been on a steady decline, reaching historic lows and pushing the affordability index down. The last two years' level of affordability is unlikely to last, though, as it's been driven by record low interest rates.

Anchorage is a less affordable place to purchase a home compared to the state as a whole, with the Anchorage index generally running 10 points higher.

Karinne Wiebold is an economist in Juneau. Reach her at (907) 465-6039 or [karinne.wiebold@alaska.gov](mailto:karinne.wiebold@alaska.gov).

### How affordability is determined

The Alaska Department of Labor and Workforce Development creates indexes to monitor housing affordability across Alaska. The indexes measure a number of economic factors and how they interact, producing a single value.

The Alaska Affordability Index considers sales prices, loan amounts, income, and interest rates to estimate how many wage earners it would take to afford a 30-year conventional mortgage for an average-priced home with 15 percent down, given the average interest rate and average income. Put another way, it tells you how many people must bring in a paycheck to afford a typical home.

The Rental Housing Index functions like the homeowner index but uses average contract rent rather than estimating monthly mortgage payments. Contract rent is the amount the landlord charges the tenant, not including utilities that aren't already included in rent.

An index value of 1.0 means exactly one person's income is required to afford a typical home or average rent. An increasing number means additional income is necessary, making housing less affordable. A value of less than 1.0 is more affordable.

The index is intended to monitor housing affordability based only on factors the Department of Labor and Workforce Development measures on a regular basis. However, many other factors affect affordability, and some are unique to households and would be difficult to measure consistently. These factors include:

- Hazard insurance and mortgage insurance
- Property taxes, which vary by area and property size
- Utilities, which can be substantial and vary depending on energy type
- Adjustable rate mortgages, where monthly payments can change dramatically based on interest rate shifts

## JUNEAU NEIGHBORHOODS

Continued from page 8

pied. That's the same as Anchorage and Seattle, but considerably higher than the 82 percent rate statewide.

Owner-occupancy varied significantly across the borough, from more than 80 percent in Auke Bay/Lynn Canal to 50 percent downtown. (See Exhibit 4 on page 7.)

Downtown's overall occupancy rate was the lowest at 87 percent, but it's probably higher than the data show because of short-term and seasonal populations.

### Housing cheaper downtown and in Lemon Creek

Median monthly housing costs varied by about \$800 across Juneau areas in recent years, with the highest at more than \$1,900 in the Auke Bay/Lynn Canal area and the lowest downtown at around \$1,100.

The major factors here are housing value and size. Home values are highest in Auke Bay, with a median of \$432,200 for owner-occupied units and more than 30 percent worth \$500,000 or more. Values were lowest in the Lemon Creek area at \$230,800. In the middle were downtown at \$321,600, Douglas Island at \$331,200, and the valley at \$281,669. Some areas, such as downtown and Lemon Creek, also have smaller homes on average and more multi-unit buildings and mobile homes than areas like Auke Bay.

### Older housing is downtown

Most of Juneau's oldest houses, many from before statehood, are downtown. Housing construction in the Mendenhall Valley took off during the 1970s and 1980s with the expansion of Alaska's economy, and it became Juneau's largest area. Since 1990, most of the new construction has been in the Auke Bay area. (See Exhibit 5 on page 8.)

Eddie Hunsinger is the state demographer. Reach him in Anchorage at (907) 269-4960 or [eddie.hunsinger@alaska.gov](mailto:eddie.hunsinger@alaska.gov). Eric Sandberg is a research analyst in Juneau. Reach him at (907) 465-2437 or [eric.sandberg@alaska.gov](mailto:eric.sandberg@alaska.gov).