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INFORMATION RELEASE  
August 2, 2018

### **CBJ and Gastineau Apartments owner settle lawsuit; CBJ to receive \$1.5 million**

The City and Borough of Juneau and the owner of the Gastineau Apartments have come to an agreement to settle a more than two-year old lawsuit, paving the way for redevelopment in Downtown Juneau. The owner has admitted fault and agrees to pay \$1.5 million to CBJ.

CBJ filed a lawsuit against Gastineau Apartments owners Kathleen Barrett and James Barrett in March 2016 to recover costs of demolishing the blighted buildings, which had been severely damaged in a 2012 fire and further ruined during another fire in 2015. The property, located at 127 South Franklin Street, was deemed a public nuisance and torn down in January 2016. The parties have agreed that Kathleen Barrett will pay \$1.5 million, along with interest, to CBJ for the cost of the demolition.

“This settlement is the end of a long struggle and it creates the path for redevelopment of these downtown properties. CBJ is glad to put this issue behind us,” City Manager Rorie Watt said.

In the settlement, Ms. Barrett agrees to make several scheduled payments to CBJ through December 31, 2020. During that time period, proceeds from the sale of the Gastineau Apartments properties, and other downtown properties owned by Ms. Barrett, including the Bergmann Hotel, will go into a trust account and released to the CBJ until the settlement agreement amount is met.

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For more information, contact City Manager Rorie Watt at 586-5240 or [Rorie.Watt@juneau.org](mailto:Rorie.Watt@juneau.org).